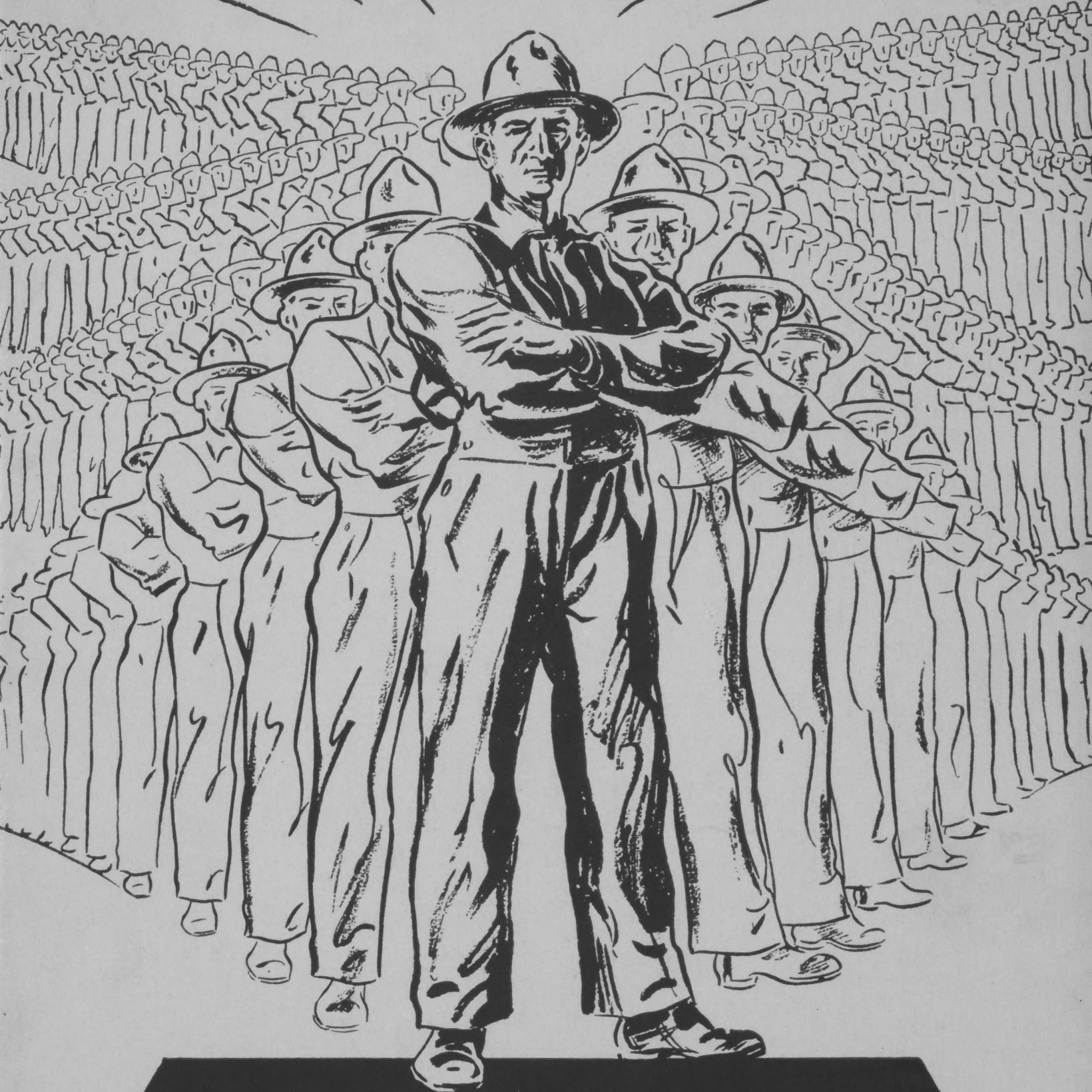


*Kranagant Tuesday Nov. 6th 8PM  
Low Farm Monday Nov. 12th 8PM*



**30,000 NEIGHBORS**

**MANITOBA POOL ELEVATORS**

**ANNUAL REPORT 1951**



\$45-

JA

(includes  
auditors  
report)

# MANITOBA POOL ELEVATORS

## Reports for the Financial Year ending July 31st, 1951



Directors' Report  
Auditors' Report  
Directors' Report of  
Canadian Co-operative Wheat Producers Ltd.



TWENTY-SIXTH ANNUAL MEETING

WINNIPEG, OCTOBER 1951









# Manitoba Pool Elevators

## DIRECTORS' REPORT

1950 - 1951

Winnipeg, October 22 1951.

To the Members,  
Manitoba Pool Elevators.

We submit for your consideration the twenty-sixth annual report of Manitoba Pool Elevators. It covers the operations of your organization for the year ended July 31st 1951.

|              | Acreage<br>Sown | Total<br>Yield | Yield<br>per<br>Acre | Average<br>for Last<br>10 Years |
|--------------|-----------------|----------------|----------------------|---------------------------------|
| Wheat .....  | 2,382,000       | 50,000,000     | 21.0                 | 21.4                            |
| Oats .....   | 1,610,000       | 70,000,000     | 43.5                 | 36.3                            |
| Barley ..... | 1,717,000       | 55,000,000     | 32.0                 | 26.9                            |
| Rye .....    | 82,400          | 1,300,000      | 15.8                 | 16.3                            |
| Flax .....   | 300,000         | 3,173,000      | 9.7                  | 9.4                             |

### ORGANIZATION

#### MANITOBA CROP CONDITIONS, SEASON 1950

The crop year 1950-51 will long be remembered for the late seeding, the wet harvest, the frost in the middle of August and for the disastrous flood in the Red River Valley.

Seeding was delayed, because of excessive moisture, until about May 25th when a start was made in the north-west part of the province. It was general by June 1st, excepting in the Red River Valley area which had been inundated by the flood, but was not completed until early in July. The weather during the growing season was cool and precipitation was above normal. All grain crops grew uniformly heavy, with promise of an abundant yield. Harvesting, which commenced around the first of September, was delayed by general rain and snow.

The combination of August frost and Autumnal rains resulted in the harvesting of much out-of-condition grain of low grades. The bushelage yield was high, which in some measure compensated for the poor quality. In spite of the many hazards, a crop much better than average was harvested.

Common wheats were heavily infested with leaf rust while stem rust attacked late sown durum wheat and oats. Barley was only slightly affected by rust. Hail was not serious, crop damage from this factor being limited to few districts.

Precipitation at the places listed hereunder is given by the Dominion Meteorological Service:

|                | 1950 | 1949 |
|----------------|------|------|
| Brandon .....  | 21.2 | 18.2 |
| Dauphin .....  | 20.6 | 25.9 |
| Morden .....   | 24.5 | 20.1 |
| Winnipeg ..... | 22.4 | 22.9 |

Acreage sown and the record of production of cereals and flax in Manitoba for the year 1950 are given in the report of the Dominion Bureau of Statistics as follows:

#### Membership

The membership in Manitoba Pool Elevators now stands at 206, an increase of 4 over that of last year, 205 Co-operative Elevator Associations and 1 Co-operative Forage Crop Seeds Association making this total. Applications for membership were granted to Co-operative Elevator Associations at Altona, Fork River, Gretna and St. Jean.

The total active membership in 205 Co-operative Elevator Associations is estimated at 30,000 after allowing for duplication. It is recognized that some members belong to more than one Association.

During the year 3,382 applications for membership were accepted by the various Associations, 71 members were reinstated to an "active member" basis while 713 members were placed on the inactive list. The increase in active membership for the year is 2,740.

The membership in the Co-operative Forage Crop Seeds Association now stands at 3,881.

#### Board Meetings

Your Board of Directors held ten meetings during the year. There were three inter-provincial meetings held, which were attended by the boards of the three Pool organizations.

Four meetings of Canadian Co-operative Wheat Producers Limited were held. Canadian Pool Agencies Limited and Pool Insurance Company held three meetings, all of which were attended by your executive as members of the respective boards.

Your board was represented at the Annual Convention of the Manitoba Federation of Agriculture and Co-operation.

Mr. Watson Crossley was again nominated by your board as the representative of Manitoba Pool Elevators to the Directorate of Manitoba Federation of Agriculture and Co-operation.

The annual meeting of the Canadian Federation of Agriculture was held in Calgary, Alberta, in January. Five members of your board attended this meeting. Your President, W. J. Parker, continues as Vice-President of that organization.

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1845

### Elevator Associations

Meetings of the Boards of Directors of affiliated Associations to the number of one thousand eight hundred and seventy-one were held during the year. This feature of the organization is most important. It is through frequent and regular meetings that close contact is maintained between the officers in the local Association and the executive of the central organization, thereby securing understanding and agreement on matters of broad policy and also of operations. Manitoba Pool Elevators, being a federation of 205 unit organizations, must constantly work for the maintenance and growth of the harmonious relationship which prevails. We acknowledge the constant effort being made by officers in affiliated Co-operative Elevator Associations in keeping the growing and ever-changing membership informed on matters of vital importance both to the organization and to the welfare of the member.

### District Conferences

To provide an additional opportunity for consideration of matters of policy your board convened eleven conferences at strategic points throughout the province and invited the Directors, Agents and other officers to attend. The total registered attendance of one thousand four hundred and thirty-six was most gratifying especially since only two Associations out of 205 were not represented.

The program provided for full open discussion and centred around two themes, namely: "the 1951 operating agreement" and "the Coarse Grain Referendum." Many favorable comments as to the merits of this type of conference have been made by members participating.

### 1951 Operating Agreement

A new agreement, dated August 1st 1951, will be offered to 148 Associations to replace the Four-Party Agreement which expired on July 31st 1951. A draft of this agreement will be submitted to the forthcoming annual meeting of those Associations who were signatories to the Four-Party Agreement.

### COUNTRY ELEVATOR OPERATIONS

The net grain receipts of Manitoba Pool Elevators for the 1950-51 season amounted in total to 51,167,005 bushels, as follows:

|                 | Bushels    |
|-----------------|------------|
| Wheat .....     | 19,954,290 |
| Oats .....      | 12,929,585 |
| Barley .....    | 16,890,495 |
| Rye .....       | 456,201    |
| Flax .....      | 922,446    |
| Buckwheat ..... | 3,457      |
| Sunflower ..... | 10,531     |
|                 | <hr/>      |
|                 | 51,167,005 |

Included in the total are 401,250 bushels of grain shipped over loading platforms. The carryover of 590,509 bushels of all grain at the beginning of the season is not included.

Grain cleaned during the season amounted to 7,743,681 bushels.

Manitoba Pool Elevators' proportion of all grain delivered to licensed country elevators and mills in the Province of Manitoba was 47.04% as compared with 47.58% for the 1949-50 season. This percentage is based on statistics furnished by the Board of Grain Commissioners.

Tables showing the volume of grain handled by Manitoba Pool Elevators over the years are included with the statistics on the last pages of this report.

We recognize that both Railway Companies were under a severe strain to move the large grain crop and to service the heavy demands of industry. The impact of the national defense program on the transportation facilities was severe and taxed their resources to the limit. Due to the late harvest, Manitoba lost the advantage of an early movement of grain, which she enjoyed under more normal conditions.

The very wet harvesting season resulted in approximately 45% of all the grain handled through Manitoba Pool Elevator facilities grading "tough" or "damp" on government inspection. In the more northerly parts of the province grades and yields were cut very seriously by frost in mid-August.

At the end of January 1951 the tough and damp grain situation became so serious that the Canadian Wheat Board and the Board of Grain Commissioners issued a special shipping permit giving priority to the shipment of tough and damp grain over all other shipments except those for interior mills. This resulted in an accelerated movement of out-of-condition grain, and for the months of February, March and April your organization forwarded over five million bushels of out-of-condition grain to a position where it could be dried and processed to prevent spoilage. In this movement of out-of-condition grain all organizations concerned worked in closest co-operation to save large quantities of grain which otherwise would have spoiled and resulted in severe losses to western grain producers.

We commenced the 1951-52 season with badly congested elevators at a number of points. Present prospects do not indicate a better supply of box cars for the 1951-52 season, which will necessitate large quantities of grain being stored on farms for some months.

The combination of early frosts, late harvest, and excessive moisture placed an unduly severe strain on elevator operators. Speaking generally, they stood up under the pressure exceptionally well and have done an outstanding job, under the circumstances, in giving the best possible service to members.

### Handling Tariffs

For the year under review, the maximum handling tariffs in country elevators authorized by the Board of Grain Commissioners were as follows:

|                             |                |
|-----------------------------|----------------|
| Wheat, barley and rye ..... | 2½c per bushel |
| Oats .....                  | 2c per bushel  |
| Flax .....                  | 4½c per bushel |

37500  
18500

2000.00

40000

## NOTES

Storage charges were 1/25 of 1c per bushel per day after expiration of the regular 15-day free storage period.

For the season 1951-52, the Board of Grain Commissioners established the following maximum tariff of elevator charges for handling carlots and on grain returned to owner:

|                             |                  |
|-----------------------------|------------------|
| Wheat, barley and rye ..... | 25/8c per bushel |
| Oats .....                  | 21/8c per bushel |
| Flax .....                  | 43/4c per bushel |
| Sunflower Seed .....        | 61/2c per Cwt.   |

The Board of Grain Commissioners also authorized storage charges at 1/30 of 1c per bushel per day after the first 15 days.

An agreement with the Canadian Wheat Board establishes the storage rate at 1/35 of 1c per bushel per day both in country elevator and terminal after the regular free period.

### Construction, Repairs and Renewals

Some difficulty was encountered in securing materials and competent crews to carry on our repair and construction program. In spite of this, we have carried out a large building program in an effort to meet an insistent demand for Pool Elevator service at new points and additional storage capacity for many Associations. Favorable weather in the early spring gave us an opportunity for getting a much better start on construction than usual.

The building program provided for seven new elevators, of 50,000 bushel capacity each. One was built for each of the three new Associations: Altona, Gretna and St. Jean. An elevator was constructed at Swan River and one is to be built at Bowsman to provide additional facilities for a growing membership. Construction is under way at both Austin and Poplar Point where new elevators will replace old ones.

Nineteen large permanent framed annexes, eight smaller permanent silo-type and two crib-type annexes have been built or are under construction. At one point an old elevator was moved and converted into an annex adjacent to the operating unit.

The construction of new facilities has increased our country storage capacity by 1,500,000 bushels.

New scales were installed in 6 elevators, new electric motors in 7, engines were changed in 3, and 25 elevators and 12 annexes were painted during the season. We built or purchased 11 agents' dwellings.

### COARSE GRAIN OUTLETS

The production and marketing of western feed grains is of particular interest to our farmer-members, we therefore report on the changing pattern of the domestic market for oats and barley. It might be said that barley is a specialty crop in Manitoba since it rates with wheat as a cash crop.

Cost of new construction

1025000.00

Crib type costs about 60¢ a bus.

Our type of annex will cost about 40¢ a bus.



The increasing use by eastern feeders of western grown oats and barley is demonstrated in the following table: (Statistics supplied by Dr. E. Hope, Economist, Canadian Federation of Agriculture)

| Period                   | Millions of Bushels per Year |        |
|--------------------------|------------------------------|--------|
|                          | Oats                         | Barley |
| 1931-32 to 1940-41 ..... | 10.7                         | 1.4    |
| 1942-43 to 1945-46 ..... | 39.0                         | 29.3   |
| 1946-47 to 1949-50 ..... | 52.5                         | 30.7   |

#### Government Freight Assistance Policy

Western feed grains continued to be moved to Eastern Canada and British Columbia under the government freight assistance policy. The following table has been issued by the Dominion Bureau of Statistics:

|                        | August 1st 1949<br>to June 30th 1950<br>(Revised) | August 1st 1950<br>to June 30th 1951 |
|------------------------|---|--------------------------------------|
| Wheat, bushels .....   | 8,719,000   | 11,644,000                           |
| Oats, bushels .....    | 48,514,000  | 29,408,000                           |
| Barley, bushels .....  | 20,479,000  | 15,294,000                           |
| Rye, bushels .....     | 20,000  | 28,000                               |
| Screenings, tons ..... | 87,988  | 62,969                               |
| Millfeeds, tons .....  | 553,751   | 512,097                              |

This movement of feeding grains to Eastern Canada indicates the importance of our Eastern Canadian market as an outlet for feedstuffs.

#### Export of Oats and Barley

The Dominion Bureau of Statistics reports the export movement of oats and barley for the season 1950-51 as follows:

| Oats (including rolled oats) | Bushels    |
|------------------------------|------------|
| To United States .....       | 30,506,789 |
| To other countries .....     | 4,210,918  |

| Barley                   | Bushels    |
|--------------------------|------------|
| To United States .....   | 10,588,112 |
| To other countries ..... | 12,487,877 |

#### ELEVATOR IMPROVEMENT COMPETITION

Country elevator agents participated in the Elevator Improvement Competition with keen spirit. The Grand Challenge Cup was awarded to Mr. W. J. Govier of Crystal City who maintained the best kept premises in the whole organization. The Inspector who made the final placings has this to say: "I do not think it possible to keep an elevator in better order, in every way, than that at Crystal City."

Agents winning first, second and third places in each superintendent's division were awarded Certificates of Merit and cash prizes of \$15.00, \$10.00 and \$5.00 respectively.

The winners of certificates and prizes under the respective divisions were as follows:

| District<br>Superintendent | Agent                | Station      |
|----------------------------|----------------------|--------------|
| A. J. Baudais              | 1. K. Mann           | Edwin        |
|                            | 2. J. Kines          | Elm Creek    |
|                            | 3. M. Beaudry        | Benard       |
| W. L. Breadner             | 1. H. C. Johnson     | Erickson     |
|                            | 2. H. Hagglund       | Clanwilliam  |
|                            | 3. R. Charles        | Brookdale    |
| P. J. Brown                | 1. W. G. C. Williams | Vista        |
|                            | 2. W. H. Hollier     | Ipswich      |
|                            | 3. H. M. Levins      | Isabella     |
| R. A. Brown                | 1. R. R. Lamont      | Napinka      |
|                            | 2. L. W. Duncan      | Tilston      |
|                            | 3. S. Lind           | Deloraine    |
| O. W. Couch                | 1. A. W. Galbraith   | Sanford      |
|                            | 2. H. R. LaHaie      | Dufresne     |
|                            | 3. A. Rybachuk       | Teulon       |
| W. C. Jamieson             | 1. A. T. Kennedy     | Fairfax      |
|                            | 2. O. W. Bulloch     | Ninette      |
|                            | 3. C. G. Lowry       | Hartney      |
| J. J. Marty                | 1. W. J. Govier      | Crystal City |
|                            | 2. G. V. Hartry      | Thornhill    |
|                            | 3. B. J. Johnson     | Letellier    |
| P. J. McDonald             | 1. D. Gillies        | Lenore       |
|                            | 2. R. Laurie         | Forrest      |
|                            | 3. B. Johnson        | Kenton       |
| D. Mitchell                | 1. R. Sparrow        | Bowsman      |
|                            | 2. W. Platz          | Inglis       |
|                            | 3. J. Walker         | Meharry      |

#### TERMINAL OPERATIONS

During the season 1950-51 we operated, as a unit, Manitoba Pool Elevators' Terminals Nos. 1, 2 and 3, Alberta Wheat Pool Terminal No. 9 and Canadian National Railway Company's Terminal No. 6. The registered capacities of the five terminals are as follows:

|  | Bushels    |
|--|------------|
| Manitoba Pool Elevators No. 1 .....    | 1,375,000  |
| Manitoba Pool Elevators No. 2 .....    | 1,400,000  |
| Manitoba Pool Elevators No. 3 .....    | 3,550,000  |
| Alberta Wheat Pool No. 9 .....         | 2,000,000  |
| Canadian National Railways No. 6 ..... | 7,400,000  |
| Total .....                            | 15,725,000 |

The joint operations of the terminals under an agreement with Alberta Wheat Pool have been effective for twelve years. We are glad to report that these arrangements are conducive to a harmonious relationship between the two organizations.

We have now operated the Canadian National Railways' elevator for three years, two of which were under a yearly lease and the last season under a lease of ten years duration. Our experience to date in operating this additional capacity would appear to warrant the longer-term arrangement.

During the year, our terminals received from:

## NOTES

|                                   | Bushels    |
|-----------------------------------|------------|
| Manitoba Pool Elevators .....     | 41,718,362 |
| Alberta Wheat Pool .....          | 9,667,508  |
| Saskatchewan Pool Elevators ..... | 3,070,594  |
| Other Shippers .....              | 639,164    |
| Total .....                       | 55,095,628 |

In addition to this 55,095,628 bushels received in our terminals, there were delivered to other terminals, mills and malting companies 3,197,668 bushels of Manitoba and Alberta grain on which certain diversion premiums were received.

It will be noted that the Alberta Wheat Pool shipments east to the Lakehead were materially the same as the previous year. Indications at the present time are that your terminals will receive a more substantial amount of Alberta grain during the coming season, with coarse grains predominating.

We believe that the diversion arrangement with the Saskatchewan Pool Elevators whereby any grain which the terminals of Saskatchewan Pool Elevators are unable to unload when it reaches the Lakehead is diverted to Manitoba Pool Terminals, proved of mutual benefit. We handled 3,070,594 bushels under this agreement: this figure could have been much larger but for limited space.

Diversions of 639,164 bushels were received from other sources.

We have made reference to the many difficulties encountered in handling the large percentage of tough and damp grain of the past season's crop. It should be emphasized that the terminal department met the problem in a most satisfactory manner. The staff and the facilities at the Lakehead were under constant pressure because they were required to process 17,832,929 bushels of tough and 5,222,794 bushels of damp grain.

The terminal staff has rendered excellent service and given splendid co-operation throughout the year. Our relations with the Employees' Union continue to be satisfactory.

We are pleased to report that your elevators at the Lakehead are in excellent condition. This is also true of Alberta Wheat Pool No. 9.

Alterations and additions made necessary by the Safety Code put into effect by the Ontario Provincial Government (Department of Labour), underwriters, and various other agencies are well advanced and should be completed within the next two years.

After paying operating costs, including cash rental, the net surplus in the terminal account is divided on a bushelage basis which gives Manitoba Pool Elevators \$1,113,805.58 and the Alberta Wheat Pool \$251,798.21 — a total of \$1,365,603.79.

## FINANCIAL STATEMENTS

The financial result of the year's operations, as reflected in the financial statements of the Company, is indeed very satisfactory to your Board and Management. We trust that the Consolidated Statement when broken down and reflected in the local balance sheets will meet with general satisfaction on the part of the members of the various local Associations.

Although the percentage of Manitoba grain handled by Manitoba Pool Elevators is about the same as a year ago, our deliveries were approximately 9½ million bushels more during the year under review than in the previous season. In some measure this additional volume made possible the larger net surplus shown in the financial statement.

In addition to the Consolidated Balance Sheet, the financial statements include:

- (a) A Consolidated Statement of Country Elevator Operations, including Manitoba Pool Elevators' share of the Terminal Department's earnings.
- (b) A Statement of Terminal Operations.
- (c) Separate statements for the Seeds Department, the Feed Mill and the Livestock Department.

The Wheat Pool Building and The Manitoba Co-operator are managed by Manitoba Pool Elevators, the net cost being reflected in the Statement of Country Elevator Operations.

After meeting all operating expenses, we recovered the following investment in elevator properties:

|  |              |
|--|--------------|
| Depreciation on country elevators .....  | \$239,442.38 |
| Depreciation on terminal elevators ..... | 127,231.41   |
|  | <hr/>        |
|  | \$366,673.79 |

The year's operation produced a net margin of \$2,565,141.47 (before provision for income taxes), which compares with a margin of \$1,608,885.58 in the previous year. From this net margin we have transferred the sum of \$441,947.39 to the General Reserve. It should be recorded that a provision of \$75,000.00 was made for income taxes by a charge to the General Reserve, rather than by a deduction from surplus on operations.

The net surplus for the year was adjusted by the sum of \$34.09, representing a deficit from operations for the year 1950-51 of one Association, and by a further amount of Deferred Deficits from previous years for several Associations in the total amount of \$14,162.86, leaving a net surplus of \$2,109,065.31. This amount will be reflected as surplus available for allocation in the balance sheets of the local Associations.

We record four new Associations in this year's report. One of these did not commence operations until the beginning of the 1951-52 crop year. The other three operated for only a short period of the

year and couldn't be expected to meet a full year's capital commitment. The operations of the remaining 201 Associations resulted in a net surplus for all but two of them. In the case of one we simply deferred part of its depreciation liability; the other Association was unable to pay anything on capital account, and failed by an amount of \$34.09 to meet its full operating expenses including interest.

In 1943 Manitoba Pool Elevators instituted an employees retirement pension plan. In order to provide for part of the "past service" liability to some of the older employees, we set up a fund of \$40,000.00. This provision was not considered to be actuarially sound, and we find now that it is insufficient to protect the employees under the pension plan guarantee. We have, therefore, added \$30,000.00 to the residue of the fund, and the same amount has been charged as an operating expense this year.

A year ago we reported that the need and demand for additional elevator space and necessary repairs and modernization of some of the older elevators, coupled with higher construction costs, continued to make a heavy drain on the cash reserves of your Company. That condition still prevails. Your Board and Management still believe that these investments are necessary and sound. Our capital expenditures for the year under review, plus present commitments, amount to nearly three times our annual recovery in depreciation account. Even with the substantial sum of \$441,947.39 transferred to the General Reserve, our liquid cash or working capital position shows some slight reduction. Your Board again recommends strongly to the delegate body that its action in transferring this sum to the General Reserve be ratified. The continued drain on our liquid resources, resulting from the incessant demand for additional space and better country elevator service, presents a problem in financing which your Board and Management desire to discuss with the delegate body.

## SEEDS DEPARTMENT

The adverse harvesting conditions experienced in the fall of 1950 were reflected in the operations of the Seeds Department: first, by the changing volume and types of seeds delivered to the seed plant and, second, by the markedly larger volume of retail sales, especially of cereals.

The operations of the Seeds Department for the 1950-51 season reflect satisfactory financial results. A patronage dividend will be declared on most seed handled.

The volume of seed handled during the past year is as follows: (for comparison, the figures for the previous season are given)

|               | 1950-51         | 1949-50        |
|---------------|-----------------|----------------|
| Legumes ..... | 2,134,560 lbs.  | 3,270,904 lbs. |
| Grasses ..... | 730,155 lbs.    | 498,764 lbs.   |
| Cereals ..... | 135,680 bushels | 84,330 bushels |



60000  
60000  
Of particular significance is the smaller volume of legumes handled; this figure reflects the condition of the alfalfa crop which was estimated to be approximately 10% of normal and can be considered a crop failure.

The above deliveries were received from 1,424 members and 356 non-members, whereas for the 1949-50 crop year 1,410 members and 250 non-members delivered seed to the Association.

The heavy demand for seed of brome, wheat and flax accounted for the increase in retail sales over the figures of the previous year. In totals, the seed sold locally amounted to 750,590 lbs. of forage crop seeds and 109,624 bushels of cereals and flax seed; the bulk of which was distributed through our country elevator agents.

The seed plant, both building and machinery, is in good condition. A brome cleaning unit, additions to alfalfa and sweet clover cleaners and additional legs were purchased and installed to facilitate operations by speeding the flow of seed and to eliminate handling as much as possible.

All export sales were placed through Northern Canadian Seed Sales Limited. This sales agency operates under an agreement between Alberta Seed Growers Co-operative Limited, Saskatchewan Forage Crop Growers Co-operative Marketing Association Limited and Manitoba Pool Elevators. Mr. W. J. Parker has been re-elected President of this sales agency. Mr. T. H. Wilson also represents Manitoba Pool Elevators on the Directorate.

#### LIVESTOCK DEPARTMENT

Livestock prices have reached an all time high during the past year. Public Markets Limited, St. Boniface, Manitoba, recorded choice steers topping the market at \$36.00 per cwt. on June 18th 1951. Grade A hogs broke all previous records at \$39.00 per cwt. on July 29th 1951 and top grade lambs sold at \$39.00 per cwt. on June 25th, 1951.

In common with other livestock markets in Canada decreases in the number of deliveries have been recorded during the past year. The total Manitoba livestock marketed through your Central Sales Agency, Canadian Livestock Co-operative (Western) Limited, with comparative figures for the previous year, is as follows:

|               | Cattle | Calves | Hogs   | Sheep |
|---------------|--------|--------|--------|-------|
| 1950-51 ..... | 28,588 | 9,810  | 37,555 | 6,432 |
| 1949-50 ..... | 35,665 | 12,425 | 48,477 | 7,773 |

These figures are indicative of the livestock population which has reached its lowest point in a number of years. There now appears to be an increasing interest in livestock production which we anticipate will be reflected in larger deliveries.

It is impossible to secure accurate figures on which to base the percentage of livestock originating in Manitoba which is consigned to Canadian Livestock Co-operative (Western) Limited. We are convinced there is an upward trend in this direction.

#### NOTES

Mr. Hutchinson Alberta  
Pool Fraternal Delegate.  
spoke on the wheat Board

The rise & fall of the nations  
depends on the use of the soil  
The health of man & animals  
depends on the way we treat the  
soil.

The assets shown in the livestock shippers reserve amount to \$59,414.21, of which \$22,150.81 is retained by Canadian Livestock Co-operative (Western) Limited as deferred dividends. Manitoba Pool Elevators' share of C.L.C. earnings during the fiscal year 1950-51 was \$14,108.39 as compared with \$19,483.33 the previous year.

Your livestock committee of Manitoba Pool Elevators remains unchanged with W. Crossley, Chairman; G. N. McConnell and T. H. Wilson. These directors also represent Manitoba on the Central Board of Canadian Livestock Co-operative (Western) Limited.

Shipping associations operating in the province number twenty-two. Keeping rail shipping associations alive is proving difficult; of the volume of Manitoba livestock which is consigned direct to packers 81% is delivered by truck, while 69.3% of livestock from the same source delivered to the stockyards is hauled by truck. It is quite probable that the number of shipping associations will decrease as road and truck facilities continue to improve.

There is evidence that packers pay a bonus to owners of public service vehicles for livestock delivered direct to plants. To the extent that Manitoba truckers accept payments in excess of authorized freight tariffs, they are acting as packer agents and in violation of the Highways Traffic Act of this province.

Educational work is being done in an effort to point out to our livestock producers the necessity of maintaining an active public market at St. Boniface. To retain a semblance of control in the marketing of livestock Manitoba should adhere to the procedure of filling out and signing the trucker's manifest or bill of lading.

Some gain can be reported in the percentage of deliveries at the St. Boniface Stockyards as compared with direct deliveries to packing plants during the past year.

|                          | 1950 | 1949 | % Increase<br>at Stockyards |
|--------------------------|------|------|-----------------------------|
| <b>Cattle</b>            |      |      |                             |
| Sold at Stockyards ..... | 64.4 | 61.9 | + 2.3%                      |
| Direct to Packers .....  | 34.9 | 37.7 |                             |
| <b>Calves</b>            |      |      |                             |
| Sold at Stockyards ..... | 47.2 | 43.4 | + 3.8%                      |
| Direct to Packers .....  | 52.6 | 56.4 |                             |
| <b>Hogs</b>              |      |      |                             |
| Sold at Stockyards ..... | 18.7 | 12.8 | + 5.9%                      |
| Direct to Packers .....  | 81.3 | 87.2 |                             |
| <b>Sheep</b>             |      |      |                             |
| Sold at Stockyards ..... | 32.3 | 28.8 | + 3.5%                      |
| Direct to Packers .....  | 67.4 | 71.2 |                             |

The hog farrowing centre at Morris has operated satisfactorily during the past year. The flood during the spring of 1950 caused disruption of the breeding program and consequently only about half of the breeding herd weaned litters for sale during the fall of 1950. Since January 1951 a small surplus of receipts over expenditures has been recorded each

month. The year-end financial statement shows a small deficit.

The demand for weanlings has continued to exceed the supply. For the small producer it appears that pig hatcheries may have a place in our changing farm economy. Much useful information has been gained to date in the operation of this farrowing centre. While still under the supervision of your livestock department it is expected that farmers in the Red River Valley will take over this activity as a co-operative venture next year.

A co-operative hog farrowing centre has been organized at Arborg where some seventy-five head of breeding stock are now located. This centre is being operated by the members of the Association. Financial and technical assistance has been rendered by the livestock department.

Winners of the feeder cattle clubs participated in a trip to St. Paul, Minn. during the week of July 17th to 21st 1951. Co-operative livestock markets, feed lots, pig hatcheries, hay driers and hay making equipment were inspected en route. The winners this year were Harry Wilson of the Rathwell club and Wm. Rolla of the Birtle club. We believe much useful information in the latest methods of livestock production and co-operative livestock marketing can be disseminated through the feeder cattle clubs.

## GOVERNMENT POLICY

### Royal Commission on Transportation

The Report of the Royal Commission on Transportation was issued on February 9th, 1951. The recommendations, in general, were acceptable to and in keeping with transportation policies of farm organizations. Of particular concern to agriculture is the finding of the Commission relative to the Crowsnest Pass Rates which is stated as follows: "... our position is that Parliamentary control of export grain rates in Western Canada to the lakehead and to the Pacific Coast is necessary."

The problem of transportation is dealt with in its varying aspects by the Canadian Co-operative Wheat Producers Limited in their report which is appended hereto.

On August 23rd 1951, the Minister of Transport, the Hon. Lionel Chevrier, announced the appointment of Mr. R. W. Milner as Transport Controller and Mr. W. J. Fisher as Deputy Transport Controller, with powers to control all Canadian bulk-carrying rail and water transport of 1,000 registered tons and over, and all bulk commodity storage capacity.

### Coarse Grain Marketing

The Legislative Assembly of Manitoba enacted "The Coarse Grain Marketing Referendum Act" at its 1951 session. This legislation provides for taking a vote of producers on the question: "Do you wish to continue to sell your oats and barley as at present?"

To assure the largest possible affirmative vote, a committee known as the Joint Plebiscite Committee has been established representative of the Mani-

162 million bushels of wheat cannot be hedged  
only contract wheat 4 or better can be hedged.

toba Federation of Agriculture and Co-operation with its affiliated organizations and the Manitoba Farmers' Union.

Your organization is participating fully in the activities of the Joint Plebiscite Committee which is now setting up committees at each polling station. It is conceived to be the responsibility of the Local Plebiscite Committees to assist in the preparation of the voters lists, to urge producers to vote, and most important, to vote "yes."

In 1946 and in each subsequent year, our delegate body has gone on record asking that the Canadian Wheat Board be the sole authority for the marketing of coarse grain.

Producers in Western Canada have marketed two crops of oats and barley through The Canadian Wheat Board with, we believe, very satisfactory results. This method of marketing grain is threatened by the efforts being made to secure the repeal of The Coarse Grain Marketing Control Act. Numerous resolutions from member associations indicate that a large majority of producers favor the retention of the control legislation, nevertheless we urge our large membership to be vigilant, to guard against complacency and indifference and to give every assistance to the Plebiscite Committee at their polling station.

#### Wheat Board Act

In the spring session of 1951 the House of Commons passed amendments to The Canadian Wheat Board Act, 1935, providing for adjusting payments on a grade basis when interim payments are made and for the transfer of grain from one pool period to the subsequent pool period. This amendment should enable the Wheat Board to make final payments on yearly pools at an earlier date.

#### The Canadian Wheat Board

The Canadian Wheat Board was authorized on April 26th 1951 to make a final payment of 8.3 cents per bushel on all wheat which had been delivered to it at the initial fixed price of \$1.75 per bushel basis 1 Nor. Fort William or Vancouver; bringing the total price received by producers to \$1.831 same basis.

Included in the final payment is the amount of \$65,000,000 from the Federal Treasury, which was authorized by Parliament on March 21st 1951. It is a matter of note that the final price of \$1.831 per bushel was paid on 1,427,587,096 bushels of wheat. This figure represents the total bushelage credited to producers in the Five Year Pool.

Out of this volume, the Canadian Wheat Board was required to make available a total of 600,000,000 bushels for delivery to the United Kingdom under the terms of the Canada-United Kingdom Wheat Agreement.

Efforts were made by your Executive to secure a further payment on wheat in the Five Year Pool. The Government was requested to make an adjust-

#### NOTES

Hamilton resolutions  
and financial statement  
Only attended 4 days

Fraternel greetings  
Tuesday evening  
banquet  
speaker

Stanley Andrews

It is up to us to produce  
the food for nations that  
cannot produce it  
themselves

Board of grain commission

Soil conservation

Wheat Board.



ment, calculated at \$48,000,000, to cover the volume of wheat sold domestically during the period March 1st 1945 to February 17th 1947, at a price below the United Kingdom or Class II sales.

#### **International Wheat Agreement**

The second year of wheat sales under the pricing provisions and volume control of the International Wheat Agreement closed on July 31st 1951. Each participating nation substantially fulfilled its obligations under the agreement.

The experience gained from the two years operations under the terms of the International Wheat Agreement provides convincing proof that commodity agreements offer an alternative to the speculative system with a greater measure of price stability.

#### **Domestic Prices for Wheat**

On July 21st 1950 the Right Honorable C. D. Howe announced that the Government's wheat policy required the Canadian Wheat Board to supply the domestic market with wheat at the Board's International Wheat Agreement price. Your board, in association with the other two pool organizations, has offered objection to this policy which in effect provides a direct consumers' subsidy which is provided solely by the Western Canadian wheat producer.

### **EDUCATION AND FIELD SERVICE**

#### **Field Service Activities**

It was deemed advisable to transfer Harvey A. Scott from the organizational department, where he held the position of Director of Field Service, to the country elevator department. F. W. Hamilton is now Director of Field Service in addition to carrying on his former duties as Supervisor of the livestock department. To facilitate these changes, the present Field Supervisors will work more closely with the livestock department.

Two appointments have been made to the field staff this year. G. Douglas Noton, formerly Assistant Agronomist with the Manitoba Department of Agriculture, commenced his duties January 15th 1951. A graduate in Agriculture from the University of Manitoba, Mr. Noton is serving in the south-west area of the province, making his residence at Souris.

Lloyd M. Henwood was engaged as a Field Supervisor and commenced his duties on October 1st 1951. A graduate in Agriculture, Mr. Henwood has acted as Agricultural Representative of the Department of Agriculture. He has been stationed at Virden since 1949.

The field service staff now comprises a total of eight persons: Director, Agronomist, and six Field Supervisors. Their duties are many and varied.

In all, the Field Supervisors attended 876 meetings in rural Manitoba, which were recorded in three categories: 202 meetings with the Directors of Elevator Associations, 211 meetings with crop im-

provement club members and 463 meetings of a general character with members of Elevator Associations. The field service staff also conducted 49 one-day short courses in agriculture and co-operation with a total registered attendance of 3,177. Other duties required their attendance at M.F.A.C. Folk Schools as instructors.

The policy of preparing exhibits for the larger agricultural fairs has been continued. Exhibits were displayed at the Manitoba Winter Fair and the Provincial Exhibition, both held at Brandon, and also at the Portage la Prairie Fair. In all instances the Field Supervisors were in charge. It is felt that these exhibits provide valuable opportunities for your representatives to make contacts with visitors to the fairs.

#### **Crop Improvement Clubs**

The crop improvement club program continues to hold its appeal to a growing membership. There are this year — 1951 — sixty-six clubs operating with 1,260 members enrolled.

With more staff to service these clubs, we have given approval to the organization of new groups. New clubs have been organized at the following points: Letellier, Fairfax, Glenora and Swan Lake. At Brookdale re-organization took place, while the Helston group decided to operate independently and branched off from the Gladstone-Helston club.

During the week of June 3rd to 9th 1951 those members who won the 1949 Crop Improvement Club District Competition were given a trip to the Lakehead. The members who participated in the conducted tour and the clubs represented were as follows:

- District No. 1 — David Hamm, Elie.
- District No. 2 — V. Henri Dupasquier, Notre Dame.
- District No. 3 — J. Jones, Regent.
- District No. 4 — Russ McBurney, Hartney.
- District No. 5 — P. L. Bell, Harding.
- District No. 6 — W. D. Munson, Glossop.
- District No. 7 — John Gulchak, Sandy Lake.

The Notre Dame de Lourdes crop improvement club was the outstanding club of the 1950 season and, as such, won the Bredt Cup. It is worthy of note that this club has won the Bredt Cup three times in eleven years. The consistently high standard of the club is the result of a lively interest sustained by adherence to self-imposed rules and discipline.

Representatives of crop improvement clubs to the number of 48 attended the Field Crops Short Course at the University of Manitoba, March 5th to 9th 1951.

Several crop improvement clubs sponsored Farm Machinery Field Days, Demonstration Plots and Field Days which are conducted by the Extension Service of the Department of Agriculture.

We again co-operated with the Manitoba Fertilizer Board by rendering assistance in seeding and harvesting trial plots.

**Forage Crop Project**

In a further effort to encourage the use of forage crops in a program to "save the soil" your board introduced a forage crop seed project to members of all crop improvement clubs. We authorized the distribution of grass and legume seed on a loan or deferred payment plan. Fifty-two clubs availed themselves of the offer and a total of 320 members participated in the distribution of 60,000 lbs. of seed. It is estimated that this volume of seed was sufficient to bring 6,000 acres under forage crops. The extent to which club members responded to this project justifies its introduction.

**4-H Grain Clubs**

The program under which Junior Seed Growers' Clubs operate is nation wide. During the year junior clubs chose a new name and are now known as 4-H Clubs, a name which is popular in the U.S.A. and identifies similar projects.

4-H Grain Clubs in Manitoba are under the supervision of the Extension Service of the Department of Agriculture. The enrolment for the year 1951 is slightly larger than a year ago, there being 1,066 members registered in 82 clubs.

This worthwhile activity has been assisted by your organization. Financial aid was rendered to the Annual Short Course and Trip which was attended by 45 qualifying members who spent the week of June 11th in residence at United College in the City of Winnipeg.

Adjudged the outstanding club of the year and the recipient of the Harrison Shield was the Clear Lake 4-H Grain Club.

**Manitoba Crop Improvement Association**

Manitoba Crop Improvement Association, in its tenth year of operations, handled 62,008 bushels of registered and certified seed of flax and cereals, which is 10,000 bushels in excess of the volume moved during the previous season. The volume distributed within the province through country elevator agents amounted to 21,828 bushels of which 40% or 8,830 bushels were handled by your elevator agents.

L. H. Carter, Field Supervisor, continues to represent Manitoba Pool Elevators on the Board of Directors.

**The Manitoba Co-operator**

The Manitoba Co-operator, the official organ of the co-operative movement in the province, publishes well over 50,000 copies each week with 45,000 copies going to farm homes in Manitoba, which is substantially the same number we reported last year. This publication continues to hold its position as the second largest farm paper, on a distribution basis, in the province.

The editorial policy continues to press for a greater sense of unity in all activities related to co-operation and agriculture, to set out clearly the position of agriculture in the economy of Canada, to

42500 Paid by Pool report to annual meeting

off-set a cheap food policy at the expense of the farmer, and relevant subjects.

All available news outlets are used to their fullest extent to gather articles of particular interest to our readers.

In response to suggestions, new features have been added during the year. These new innovations include: dress and needlework patterns for the women, woodworking designs with plans for the men, and the pictorial feature "You've Got It Wrong."

Increase in the cost of newsprint, together with higher postage rates, have added to the cost of publishing the paper. It is anticipated that increased revenue may be secured from additional advertising which will, in some measure, take care of the added costs. To this end we would like to emphasize the need for continued support, particularly in the classified columns, from all members of those co-operatives affiliated with The Manitoba Co-operator.

The organizations represented on the Publishing Committee of The Manitoba Co-operator include: Manitoba Pool Elevators, Manitoba Dairy and Poultry Co-operative Limited, Manitoba Co-operative Honey Producers Limited, Manitoba Co-operative Wholesale Limited, the Winnipeg District Milk Producers Co-operative Association Limited and The Canadian Co-operative Implements Limited.

Interest in this publication continues to expand, with other newspapers throughout Canada seeking reprints of editorials and feature articles.

#### Radio

The daily news broadcast over Radio Station CKY, which commenced in August 1950, is being continued. This type of program can be considered to be advertising rather than educational. On May 21st 1951 we entered into a contract with Radio Station CKSB whereby your organization brings the weather report to listeners in the French language on a five minute program. The same continuity is written for each station, the translation being made by station CKSB.

#### Film Library

An increasing number of local Associations are making use of the Co-operative Film Library, sponsored by your organization in co-operation with the M.F.A.C. and the Manitoba Co-operative Wholesale. The library carries films on co-operatives, agriculture, education, health and citizenship. A catalogue of these films has been sent to all elevator associations. Bookings and distribution are made through our Director of Public Relations.

During the period October 1st 1950 to September 30th 1951 the Film Library has supplied 50 different titles for 164 film showings to over 15,000 people.

In addition, sets of film slides have been prepared and shown. The subject matter includes forage

crops, seeds and seed treatment, the lakehead trip of crop improvement club winners, and soil conservation.

#### Reference Libraries

The maintenance of a Reference Pamphlet Library in each elevator office is recommended. Greater use of the reading matter supplied should be encouraged.

The following publications have been added during the year:

**Report of The Canadian Wheat Board 1949-50.**

**Presidential Address, C.F.A., Calgary, January 24th, 1951.**

**Submission by C.F.A. to Federal Cabinet, Ottawa, February 15th, 1951.**

**C.F.A. booklet detailing the policy and program of that organization.**

**Submission by Can. Co-op. Wheat Producers to Prime Minister re final payment on five-year Wheat Board pool.**

**"Co-operation in Canada"—Marketing Service, Dept. of Agriculture, Ottawa.**

**"The Theory and Practice of Co-operation"—F. W. Ransom and R. D. Chase.**

**"Report on Crops, Livestock, etc."—Man. Dept. of Agri.**

**"Manitoba Folk Schools"—J. K. Friesen and J. M. Parsey.**

**"Chairman's and Secretary's Handbook"—Sask. Co-op. Producers, Ltd.**

**"Conservation of the Soil"—The Royal Bank of Canada.**

**"Pasture on the Production Line"**

**"Keeping the Farm in the Family"**

**"More Power to You"**

**"Improved Livestock Breeding"**

**"Good Quality Products Sell Best"**

**The Canadian Bank of Commerce**

#### Travelling Art Service

During the year under review the Travelling Art Service sponsored sixty-eight art exhibits at thirty-six points in the province, twenty-two of which reported an attendance of 5,952. One group of pictures was supplied by the Winnipeg Art Gallery and four print collections were supplied by the Junior League of Winnipeg. The pictures have been sent to church groups, schools and Women's Institutes. The collections are free for the use of any organization or school in this province.

Last year over one hundred persons contributed items for display in the Rural Art and Handicraft Exhibit. Another exhibit is being held in conjunction with the annual meeting of your organization and the attention of all delegates is directed to the display. Your board has made it possible for a number of invited guests to view the exhibit but regrets that a public showing is not possible.

#### Public Relations

We have continued to work closely with other agencies in the promotion of agricultural, co-operative and community projects. Valuable contacts have been developed with various organizations which include business and church groups, school trustees, community clubs and radio stations.



Very happy working arrangements continue between the National Film Board, the University Extension Department and your organization.

In an effort to provide a clearing house where timely co-operative developments could be discussed, the M.F.A.C., along with provincial co-operatives, recently organized a monthly luncheon group for administrative and educational staff members.

As in other years, your organization has been host to many visitors from abroad. Among them have been co-operators and students from the U.S.A., South America, Europe and Asia whose investigations were sponsored by their own governments or by agencies of the United Nations.

We have enjoyed excellent relationships with many rural weeklies in Manitoba and would urge local Associations to work closely with the rural press.

#### **AGRICULTURE AND CO-OPERATION**

##### **Manitoba Federation of Agriculture and Co-operation**

The Manitoba Federation of Agriculture and Co-operation is the medium in which all agricultural and co-operative organizations in the province find a common bond and an instrument which, operating at the provincial level, provides a channel from the farmer, through his local organization, through the provincial to the national level. The M.F.A.C., in addition to many activities which it sponsors and carries on, is an essential element in the structure which farmers of the province have built to protect their interests as primary producers and as co-operators to advance and develop their co-operatives.

As a member of the M.F.A.C. your organization has rendered assistance through financial contributions and by making personnel available for its various projects.

Acting as a federation of co-operatives, the M.F.A.C. represents an estimated membership of 45,000 farm families who are members of one of the 660 local associations federated in this provincial organization.

The M.F.A.C. is a member of both The Canadian Federation of Agriculture and The Co-operative Union of Canada. These organizations, in turn, are members of the International Federation of Agricultural Producers and the International Co-operative Alliance respectively.

In an effort to stimulate and extend the organization's program at the community level it has been recommended that each district should review the possibility of assessing members within the district a certain annual fee, the monies so raised to be expended within the district in carrying out such projects or program as may be determined by the District Directors. This suggested plan of action is in various stages of development in the districts.

#### **NOTES**

*Try to put over, that Co-ops are movement is  
democracy in action.*

To enable the Federation to carry on a more intensive program a Director of Co-operative Education has been appointed. It is envisaged that his duties will include the development of a co-operative educational program for rural community groups, the promotion of consumer co-operatives and credit unions amongst the members of labor unions and the co-ordination of existing agencies for co-operative promotion.

#### **Farm Radio Forum**

Since the inception of Farm Radio Forum—nine years ago—the program has been sponsored by M.F.A.C. with varying degrees of success. In an effort to broaden the responsibility for Farm Radio Forum in the province an advisory committee has been named at the request of the Minister of Agriculture. The committee, representative of Government, University, Press, C.B.C., N. W. Line Elevators and Agricultural Co-operatives, in seeking the assistance of rural leaders and educationalists in organizing and stimulating listening groups. The Department of University Extension and Adult Education, under the direction of Professor Tweedie, will be in charge of the mechanics. This particular program could be a most potent force in Adult Education. It requires the persistent assistance of forward looking people in every rural community.

#### **Youth Work**

An activity of the M.F.A.C. which claims attention is the Youth Department which conducts Folk and Leadership Schools and Summer Camps. In the past year 225 young people representing 95 communities attended the schools and camp. Of the 225 who participated 54 were selected by 18 Co-operative Elevator Associations.

Your board again emphasizes that opportunities should be made available for youth training. Each organization must re-create itself by providing trained leaders who must be developed from the membership. Each affiliated Association is urged to give serious attention to the training of the young people of its area and to render such assistance and guidance so that competent leadership in co-operatives and farm organizations may be maintained.

#### **Legislation**

A submission was made by the Executive Committee of the Federation to the Provincial Cabinet on January 30th 1951, in which was embodied the resolutions which had emanated in member organizations, district conventions and the Annual Conference of the Federation. The subject matter, which was of a provincial nature, included: coarse grain marketing, producer marketing boards, price of fluid milk, etc.

Resolutions which came to the Federation dealing with matters of a broader status such as: freight rates, final payment on five-year pool, were forwarded to the Western Agricultural Conference.

#### **Library**

A large library of pamphlets is maintained by the Federation office from which organized groups in the province are supplied. Information is available on co-operative organization and subjects related to agriculture and rural community living.

#### **The Canadian Federation of Agriculture**

The fifteenth annual meeting of The Canadian Federation of Agriculture was held at Calgary, Alberta, in January 1951.

The Directors of the Federation—15 in number—met the Federal Cabinet on February 15th 1951 and presented a submission which embodied the decisions reached at the annual meeting held one month previously.

The submission dealt both with urgent problems in various branches of agriculture and also with the long-time program being advocated by organized agriculture to place the industry in fair and proper relationship to other interests in the national community.

The following excerpt from the closing paragraph of the submission indicates the worthy purpose for which the Federation strives:

"We feel as an organization that a substantial number of our recommendations have become woven into the pattern of Government policy and Government programs. We do not make this statement boastfully, but as an indication of the close working relationship which can and should exist between an organization representing a major segment of the population and the Government of the day.

"We have endeavored in our organization to maintain a broad national outlook, and have encouraged all our farm groups to do likewise. We have recognized that agricultural problems are an integral part of the national economy, many of which cannot be separated and solved as agricultural problems alone. We have worked toward a fair balance between major groups in the nation; and in formulating policies which are good for agriculture, we have kept in mind that those policies likewise should be consistent with the general welfare."

#### **International Federation of Agricultural Producers**

The fifth annual conference of the International Federation of Agricultural Producers was held in Mexico City, Mexico, in May 1951.

The progress made by the organization is exemplified by the President, Dr. H. H. Hannam, in his opening address:

"The unity achieved by the farm people of twenty-seven nations in six short years since we first met in London, stands out in striking contrast to the conflicts of a confused and chaotic world."

Canada was represented by ten official delegates and nine advisers.

Dr. H. H. Hannam, who had been President of I.F.A.P. for two years, expressed the desire to be relieved of that position to enable him to devote full time to the interests of the Canadian Federation of Agriculture. P. Martin, General Confederation of Agriculture, France, was elected President.

Your board is impressed with the work of the sub-committee of I.F.A.P. which deals with Agricultural Co-operation and Rural Welfare. In general, we believe the exchange of information and the mutual confidence and understanding created through I.F.A.P. justifies increasing support of the effort being made by agricultural producers the world over to revolt against needless poverty and to raise living standards.

### **Co-operation in Manitoba**

The Director of Co-operative Services reports that Letters Patent were issued to 12 co-operative organizations during the year ended September 30th 1951.

At that date there were 420 associations registered in the province of which 232 were marketing associations, 131 consumer associations, 27 merchandising associations and 30 service or non-commercial co-operatives. It is reported that 36 registered associations are inactive. An order-in-council will authorize the cancellation of charters in cases of cessation of business.

### **Credit Unions**

The credit union movement shows healthy growth under the centralized system inaugurated a year ago. Nine credit unions received their charters bringing the total number of active unions to 142. Of the 142 now operating two-thirds are in rural Manitoba.

As at December 31st 1950 the assets of credit unions in the province amounted to \$5,615,000.

Dr. J. K. Friesen represents member co-operatives on the Board of Directors of The Co-operative Credit Society of Manitoba Limited.

### **Co-operative Services**

The Director of Co-operative Services also holds the appointment of Registrar of Co-operative Associations and on November 6th 1950 was made Secretary of the Co-operative Promotion Board.

We reported a year ago that the Study Group Committee was embodied in the Co-operative Services Branch of the Department of Agriculture. The Ministry of Agriculture did not provide in the 1951 estimates the usual grant of \$5,000 to the Study Group Committee. A larger grant was made by the Government to the Department of Extension and Adult Education but this was not earmarked for publishing study group material.



## HEALTH SERVICES

### Hospital Memorial Fund

Grants in the amount of \$3,000 each have been made to eight hospitals during the year from the Hospital Memorial Fund. The points to which these contributions were made are as follows: Roland, Pilot Mound, Flin Flon, Manitou, Gladstone, Neepawa, Sandy Lake and Victoria Hospital, Winnipeg.

As at October 20th 1951, \$113,748.58 remains in the fund.

Since the inauguration of the Hospital Memorial Fund grants to 42 hospitals have been made: 41 at \$3,000 and 1 at \$1,000.

The Director of Hospitalization, Department of Health and Public Welfare, reports that construction is proceeding at Morden, Virden, Elkhorn, Reston and Stonewall.

Working plans have been prepared for building hospitals of varying sizes at Souris, Hartney, Langruth, Notre Dame de Lourdes, Pine Falls and Siglunes (Eriksdale).

### Manitoba Hospital Service Association

The number of persons subscribing to Manitoba Hospital Service Association continues to grow. During the period January 1st to August 31 1951 twenty-one new community groups and twenty-seven new groups of employed persons have been organized in rural Manitoba.

There were, as at August 31st 1951, 373 Blue Cross community groups in operation with a membership of 28,223 contract holders, covering 82,870 participants. In addition, there are a large number of groups of employed persons in the larger towns of the province. The need for Blue Cross services throughout rural areas is shown by the heavy utilization by the rural membership; and is reflected in the fact that expenditures for participants in these areas exceeded revenues for the first half of this year.

Manitoba Hospital Service Association has acknowledged, with gratitude, the assistance and good services of so many agents and the board members of Co-operative Elevator Associations.

### CANADIAN POOL AGENCIES LIMITED

Canadian Pool Agencies Limited, which is owned by the three Provincial Pools and handles and services all their insurance, has completed its twenty-third year of operations resulting in an excess of income over expense amounting to \$55,753.27 as compared with \$31,510.53 last year.

The earnings vary from year to year and follow the fortunes of the parent organizations to a great extent. However, there is a substantial amount of insurance that is renewed every three years and this year the statement reflects the large volume of these renewals.

Your agency continues to operate on the premise that service comes before profit and serves the three Pool organizations in protecting their interests in the insurance field in a manner not wholly reflected in the earnings of the company and, in this regard some slight reduction in rates on a few types of insurance was secured. Fifteen types of insurance were handled during the year. The greatest income is derived from fire insurance followed by fidelity bonds and then automobile insurance. The patrons' equities in accordance with the usual practice will be paid out within the next fiscal year as a patronage dividend to the three Provincial Pools based on the amount of business contributed and will be divided as follows:

|                    |             |
|--------------------|-------------|
| Alberta .....      | \$10,452.78 |
| Manitoba .....     | 14,375.45   |
| Saskatchewan ..... | 30,925.04   |

Our stock in Canadian Pool Agencies Limited is 666 shares valued at \$6,660.00 being fully paid.

### POOL INSURANCE COMPANY

The twelfth annual report of Pool Insurance Company covering the year ended December 31st 1950 indicated another year of satisfactory operations. It showed a surplus in the amount of \$187,145.60 as compared with \$162,908.44 last year. After transferring \$10,000.00 to capital surplus account; setting up the usual capital stock dividend as required by the Company's charter, and the reserve of \$1,664.54 for income tax, a balance of \$175,479.21 was available to the policy-holders on the basis of their contribution to the surplus and of this amount, \$165,063.26 was paid on March 2nd 1951, the balance of \$10,415.95 will be paid out before December 31st 1951.

At August 1st 1950 the net liability of the Company in each elevator and contents was increased from 15% to 25% and at the time of writing this report the experience has amply justified the action taken. Seventy-five per cent of the liability is re-insured. The net premium income was \$133,512.41 with net losses and adjustment expenses of \$34,766.62 which produced a loss ratio of 26.04% as compared with 24.86% last year.

Five total losses were reported, fortunately they occurred when the grain stocks were comparatively light. The elevators were located in Saskatchewan as follows: Meacham, Catherwood, Cory, Tuffnell and Paynton.

In addition to these total losses, thirty-eight small losses were sustained, thirty-four of which were at elevators, three at dwellings and one miscellaneous.

You may be interested in the value of the property insured by this Company, which we list hereunder. Building values change from time to time and the values shown are as at December 31st

1950. The value of the grain is the daily average of the year:

|                        |                  |
|------------------------|------------------|
| Country Elevator ..... | \$ 49,233,921.00 |
| Grain .....            | 51,518,927.37    |
| Dwellings .....        | 4,013,307.00     |
| Miscellaneous .....    | 1,752,200.00     |
|                        | <hr/>            |
|                        | \$106,518,355.37 |

The Management of Pool Insurance Company remind us that inspection of all Pool property insured by the Company for the purpose of detecting and removing fire hazards is a most important feature of their operations, and in this regard they express appreciation for the co-operation of agents, superintendents and managements of the three member organizations in carrying out the recommendations and suggestions made by their inspectors. The Insurance Company does depend to a large extent on the year round alertness of the elevator agents, in detecting and removing fire hazards, and we cannot stress too often that continued vigilance is essential if the present favorable loss experience is to be maintained. We concur in the recommendations of the fire inspectors that extra precautions against fire hazards at the time of continued operation of the elevators is important, particularly in regard to checking the machinery, and a close watch should be kept upon starting operations when the machinery has been idle for some time.

The records of Pool Insurance Company are examined by the Federal Government's Insurance Department. We welcome this action since it gives assurance that the operations are carried on in accordance with Government regulations and good practice.

#### Dividends

The distribution of dividends is as follows:

|              |              | —Patronage Dividends— |                   |              |
|--------------|--------------|-----------------------|-------------------|--------------|
| Capital      | Stock        | Paid                  | To be paid before | Totals       |
| Dividend     | Mar. 2, 1951 | Dec. 31, 1951         |                   |              |
| Alta. \$ .55 | \$ 50,271.97 | \$ 3,181.94           |                   | \$ 53,454.46 |
| Man. .37     | 26,277.76    | 1,668.91              |                   | 27,947.04    |
| Sask. .93    | 88,513.53    | 5,565.10              |                   | 94,079.56    |
|              | <hr/>        | <hr/>                 |                   | <hr/>        |
| \$1.85       | \$165,063.26 | \$10,415.95           |                   | \$175,481.06 |

#### STAFF

The policy, which was adopted two years ago, whereby suitable awards be tendered to all employees after completion of twenty-five years continuous service, made it possible for presentations to be made at the last annual meeting of the Company to the following persons:

Mr. W. L. Breadner  
Mr. J. A. Dalton  
Mr. H. F. Donovan  
Mr. F. M. Duncan  
Mr. L. Hervo  
Mr. N. H. Little  
Mr. A. E. Manning  
Mr. G. R. Sanderson

This year similar awards will be made to eleven persons who have completed twenty-five years of service with the organization.

The contribution which the staff has made to the success of the organization is inestimable. Your board acknowledges the loyalty and co-operation of all employees. The high standard of service, during a particularly difficult year, performed by country elevator agents, the terminal staff at Port Arthur, the staff at the seed plant at St. Boniface and at Head Office has been most commendable.

#### CONCLUSION

The present position of Manitoba Pool Elevators has been achieved through years of effort and by the strict adherence to principles which are basic to all co-operative organizations. Its financial position is enviable. It has earned the respect of leaders in financial and governmental circles. It merits the fullest confidence on the part of the growing membership.

Manitoba Pool Elevators provides its members with more than grain handling service; it provides them with a sense of control and pride of ownership. Through the organization a bond of fellowship has been developed.

We believe your organization has given the members not only a new way of doing business, but also has opened a new way to better living. Through an identity of purpose, a force has been created, "30,000 members" strong, which has exercised beneficial influence on the economy of agriculture and on rural living standards.

It must be stressed continually that Democracy and Co-operation are synonymous. The greatest asset of all co-operative organizations is their democratic form of government. This fundamental element in your own organization should not be taken for granted; it should be guarded and held to be priceless.

Only with the growth and development of the Co-operative Movement can democracy be exalted and dwell in the hearts of men.

Manitoba Pool Elevators must lend all its resources, influence and the power of "30,000 neighbors" to this great movement of the People.

Respectfully submitted,

|           |   |                    |                |
|-----------|---|--------------------|----------------|
| Executive | { | W. J. PARKER,      | President      |
|           |   | GEO. N. McCONNELL, | Vice-President |
|           |   | J. W. BALDWIN      |                |
|           |   | THOS. H. WILSON    |                |
|           |   | A. W. MOFFATT      |                |
|           |   | WATSON CROSSLEY    |                |
|           |   | HAROLD B. SNEATH   |                |

15 B the  
new must

you pay 3% anyway  
so you might as well put some

**MANITOBA POOL**  
and 205 Local Co-operative Elevator Association

**CONSOLIDATED BALANCE SHEET**  
As at 31st July

**ASSETS**

|   |                        |
|---|------------------------|
| <b>Current Assets</b>   | <b>\$ 8,245,512.37</b> |
| Cash in banks and with paying Agents  | \$2,824,402.04         |
| Stocks of owned grain, etc., per inventories, valued on the basis of Wheat Board prices for wheat, oats and barley and market prices for other stocks | 4,792,719.81           |
| Accrued storage and sundry earnings   | 45,951.95              |
| Accounts receivable   | 436,758.52             |
| Prepaid expenses chargeable to 1951-52 operations   | 145,680.05             |
|   | <b>\$8,245,512.37</b>  |

coal 11,000.00

|  |                     |
|--|---------------------|
| <b>Investments</b>   | <b>81,478.56</b>    |
| Memberships in the Winnipeg Grain Exchange, the Clearing Association and the Lake Shippers' Clearance Association, at nominal values | \$ 4.00             |
| Shares in Canadian Pool Agencies Limited, at cost  | 6,660.00            |
| Shares in Pool Insurance Company, at cost  | 43,000.00           |
| Advances, shares, etc.—other co-operatives   | 9,663.75            |
| Membership equity in Canadian Livestock Co-operative Ltd.  | 22,150.81           |
|  | <b>\$ 81,478.56</b> |

|  |                       |
|--|-----------------------|
| <b>Fixed Assets</b>  | <b>5,740,582.76</b>   |
| Country elevators, dwellings, coal sheds, etc., at cost            | \$6,225,103.64        |
| Less: Amount written off 1st August 1931                           | \$ 293,724.85         |
| Reserve for depreciation   | 3,084,883.48          |
|  | <u>3,378,608.33</u>   |
| Net book value   | 2,846,495.31          |
| Terminal elevators, at cost  | \$3,020,100.74        |
| Less: Reserve for depreciation                                     | 1,269,491.55          |
|  | <u>1,750,609.19</u>   |
| Seed plant, at cost  | \$ 271,574.01         |
| Less: Reserve for depreciation                                     | 91,407.96             |
|  | <u>180,166.05</u>     |
| Feed mill, at cost less reserve of \$15,028.69                     | 72,946.31             |
| Winnipeg warehouse, at cost less reserve of \$3,923.88             | 16,018.37             |
| Wheat Pool Building, Winnipeg, at cost less reserve of \$38,980.08 | \$ 479,512.40         |
| Less: Investment of joint owners (52%)                             | 249,346.44            |
|  | <u>230,165.96</u>     |
| Office equipment, at cost less reserve of \$11,589.71              | 34,203.56             |
| Automobiles and trucks, at cost less reserve of \$8,588.52         | 9,978.01              |
| Estimated cost of construction work in progress and commitments    | 600,000.00            |
|  | <b>\$5,740,582.76</b> |

|   |                        |
|---|------------------------|
| Elevator supplies and equipment on hand | <b>103,479.01</b>      |
| <b>Total Assets</b>                     | <b>\$14,171,052.70</b> |

Repairs carried in wpt 69000  
Lumber

APPROVED ON BEHALF OF THE BOARD,  
W. J. PARKER, Director.  
G. N. McCONNELL, Director.



in general reserve

30800.00 cost of auditing

# POOL ELEVATORS

Associations and 1 Co-operative Seed Association

## CONSOLIDATED BALANCE SHEET

31st July 1951

cost of meeting 15000.00

### LIABILITIES AND MEMBERS' EQUITY

|   |                       |                        |
|---|-----------------------|------------------------|
| <b>Current Liabilities</b>  |                       | <b>\$ 7,136,424.48</b> |
| Outstanding cheques, cash tickets and drafts  | \$2,837,264.25        |                        |
| Outstanding debenture interest coupons  | 114,320.75            |                        |
| Sundry accounts payable   | 614,420.69            |                        |
| Alberta Wheat Pool—terminal earnings and rental                                     | 305,798.21            |                        |
| Provision for Dominion and Provincial income taxes                                  | 99,872.00             |                        |
| Provision for redemption of debentures  | 375,000.00            |                        |
| Provision for additions to fixed assets   | 600,000.00            |                        |
| Loans from members of Local Associations, estimated portion now repayable—see below | 2,000,000.00          |                        |
| Held in trust for Manitoba Hospital Memorial Fund                                   | 119,748.58            |                        |
| Employees' retirement fund  | 70,000.00             |                        |
|   | <b>\$7,136,424.48</b> |                        |
| <b>Capital Liabilities</b>  |                       | <b>1,648,300.00</b>    |
| Debenture bonds, 15 year 4¼ % redeemable, due August 1963                           | \$2,023,300.00        |                        |
| Less: Provision for redemption  | 375,000.00            |                        |
|   | <b>\$1,648,300.00</b> |                        |
| <b>Members' Equity</b>  |                       | <b>5,386,328.22</b>    |
| Memberships of 206 Associations in Manitoba Pool Elevators, at \$1.00 each          | \$ 206.00             |                        |
| Local Association membership funds  | 45,847.58             |                        |
| Special reserve contributions   | \$ 308,994.87         |                        |
| Less: 1931-32 arrears of interest, etc.   | 69,014.70             |                        |
|   | 239,980.17            |                        |
| General Reserve   | 2,419,207.52          |                        |
| Livestock Shippers' Reserve   | 59,414.21             |                        |
| Capital surplus, three Associations   | 10,635.54             |                        |
| Broomhill capital loan payments held for other Associations                         | 3,409.64              |                        |
| Contributed loans from members of new Associations                                  | 103,362.83            |                        |
| Loans from members of Local Associations  | \$2,362,274.91        |                        |
| Less: Estimated amount now repayable transferred above                              | 2,000,000.00          |                        |
|   | 362,274.91            |                        |
| Surplus from operations for year ended 31st July 1951 (available for allocation):   |                       |                        |
| Elevator Associations   | 2,109,065.31          |                        |
| Seed Association  | 32,924.51             |                        |
|   | <b>\$5,386,328.22</b> |                        |
| <b>Total Liabilities and Members' Equity</b>  |                       | <b>\$14,171,052.70</b> |

16000.00 have been redeemed

### AUDITORS' REPORT

We have examined the books and accounts of Manitoba Pool Elevators, the 205 Local Co-operative Elevator Associations and the Pool Elevator Co-operative Forage Crop Seeds Association, and have obtained all the information and explanations which we have required. In our opinion the above Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the financial position of the Company and its Associates as at 31st July 1951, according to the best of our information, the explanations given to us, and as shown by the books of account. We further report that all transactions coming under our notice have been within the powers and objects of the Companies to the best of our information and belief.

Winnipeg, Manitoba.  
11th October 1951.

MILLAR, MACDONALD & CO.  
Chartered Accountants, Auditors.

# MANITOBA POOL ELEVATORS

## CONSOLIDATED STATEMENT OF LOCAL ELEVATOR ASSOCIATIONS' OPERATIONS

For the year ended 31st July 1951

|   |                       |                              |   |
|---|-----------------------|------------------------------|---|
| <b>Gross Earnings</b> .....   |                       | <b>\$5,602,772.47</b>        | <i>10,53 c per bus</i>                          |
| <b>Expenses:</b>  |                       |                              |   |
| Building insurance, bonds and taxes .....                             | \$ 166,144.36         |                              |   |
| Station expenses paid locally .....                                   | 1,180,528.84          |                              |   |
| Station expenses paid from Head Office .....                          | 201,146.83            |                              |   |
| Grain insurance and interest on grain loans .....                     | 292,221.29            |                              |   |
| Head Office expenses .....  | 636,086.31            |                              |   |
|   | <u>\$2,476,127.63</u> |                              |   |
| Depreciation—country elevator properties .....                        | 239,442.38            |                              |   |
| —terminal elevators .....   | 127,231.41            |                              |   |
| Interest on Local Associations' capital debt .....                    | 101,394.10            |                              |   |
| Interest on net investment in terminal elevators .....                | 93,435.48             |                              |   |
|   |                       | <u><b>3,037,631.00</b></u>   | <i>5.71 per bus</i>                             |
| <b>Operating Surplus, before deducting the undernoted items</b> ..... |                       | <b>\$2,565,141.47</b>        | <i>4.82 " "</i>                                 |
| <b>Deduct:</b>  |                       |                              |   |
| Portion of terminal earnings transferred to General Reserve \$        | 363,233.36            |                              |   |
| Interest on General Reserve .....                                     | 78,714.03             |                              |   |
| 1949-50 and prior deficits (8 Associations) .....                     | 14,162.86             |                              |   |
| 1950-51 deficit charged to General Reserve .....                      | ( 34.09)              |                              |   |
|   |                       | <u><b>456,076.16</b></u>     | <i>" 86 " "</i>                                 |
| <b>Net Surplus, available for allocation</b> .....                    |                       | <u><b>\$2,109,065.31</b></u> | <i>3.96 " " on grain</i><br><i>4.16 " " " "</i> |

## STATEMENT OF TERMINAL OPERATIONS

For the year ended 31st July 1951

|   |                |                              |
|---|----------------|------------------------------|
| <b>Net Revenue</b> for the year from terminals operated by    |                |                              |
| Manitoba Pool Elevators .....                                 | \$3,593,317.25 |                              |
| <b>Deduct: Net premiums paid on lakehead diversions</b> ..... | 32,523.64      | <b>\$3,560,793.61</b>        |
| <b>Deduct:</b>  |                |                              |
| Wages .....   | \$ 934,919.27  |                              |
| Power .....   | 82,373.72      |                              |
| Repairs and supplies .....                                    | 370,955.84     |                              |
| Sundry operating expenses .....                               | 79,838.76      |                              |
| Taxes and building insurance .....                            | 157,286.30     |                              |
| Administrative salaries and expenses .....                    | 153,303.82     |                              |
| Rentals—Manitoba Pool Elevators (3) .....                     | 234,000.00     |                              |
| —Alberta Wheat Pool (1) .....                                 | 54,000.00      |                              |
| —Canadian National Railways (1) .....                         | 128,512.11     |                              |
|   |                | <u><b>2,195,189.82</b></u>   |
| <b>Net Surplus on operations</b> .....                        |                | <u><b>\$1,365,603.79</b></u> |
| <b>Allocation of net surplus on basis of bushels handled:</b> |                |                              |
| To Alberta Wheat Pool .....                                   | \$ 251,798.21  |                              |
| To Manitoba Pool Elevators .....                              | 1,113,805.58   |                              |
|   |                | <u><b>\$1,365,603.79</b></u> |

# MANITOBA POOL ELEVATORS

## SEEDS DEPARTMENT STATEMENT OF OPERATIONS

For the year ended 31st July 1951

|   |                     |                     |
|---|---------------------|---------------------|
| <b>Seed Sales</b> .....   |                     | <b>\$960,993.67</b> |
| Stocks on hand 31st July 1950 .....                               | \$ 39,667.01        |                     |
| Purchases .....   | 729,963.03          |                     |
|   | <hr/>               |                     |
|   | \$769,630.04        |                     |
| Stocks on hand 31st July 1951 .....                               | 26,852.98           | <b>742,777.06</b>   |
|   | <hr/>               |                     |
| <b>Gross margin on trading</b> .....                              |                     | <b>218,216.61</b>   |
| Cleaning, handling and sundry revenue .....                       |                     | <b>7,699.90</b>     |
|   |                     | <hr/>               |
|   |                     | <b>\$225,916.51</b> |
| Deduct: Interest and insurance on seed stocks .....               | \$ 5,390.38         |                     |
| Depreciation on plant and equipment .....                         | 18,522.04           |                     |
| Interest, insurance and taxes .....                               | 12,566.22           |                     |
| Repairs and other plant operating expenses .....                  | 18,903.55           |                     |
| Salaries and wages .....  | 74,742.51           |                     |
| Commission, brokerage, seed inspection, etc. ....                 | 12,564.56           |                     |
| Seed buyers' travelling expenses .....                            | 5,312.82            |                     |
| Miscellaneous office and general expenses .....                   | 18,889.13           |                     |
| Share of sales office expense—                                    |                     |                     |
| Northern Canadian Seed Sales Ltd. ....                            | 4,861.32            | <b>171,752.53</b>   |
|   | <hr/>               |                     |
| <b>Net margin</b> .....   |                     | <b>\$ 54,163.98</b> |
|   |                     | <hr/>               |
| <b>Allocation of net margin</b> on the basis of pounds purchased: |                     |                     |
| To Pool Elevator Co-operative Forage                              |                     |                     |
| Crop Seeds Association .....                                      | \$ 32,924.51        |                     |
| To General Reserve (purchases from non-members) .....             | 21,239.47           |                     |
|   | <hr/>               |                     |
|   | <b>\$ 54,163.98</b> |                     |

## PORTAGE FEED MILL STATEMENT OF OPERATIONS

For the year ended 31st July 1951

|  |             |                     |
|--|-------------|---------------------|
| <b>Gross margin</b> on mill operations ..... |             | <b>\$ 7,970.08</b>  |
| Sundry revenue .....                         |             | <b>674.97</b>       |
|  |             | <hr/>               |
|  |             | <b>\$ 8,645.05</b>  |
| <b>Expenses:</b>                             |             |                     |
| Wages .....                                  | \$ 7,163.90 |                     |
| Commission on Eastern sales .....            | 19.90       |                     |
| Power and light .....                        | 1,545.44    |                     |
| Twine and tags .....                         | 368.00      |                     |
| Insurance on stocks in store .....           | 299.62      |                     |
| Taxes .....                                  | 1,470.82    |                     |
| Insurance on buildings and plant .....       | 2,607.55    |                     |
| Repairs .....                                | 1,772.56    |                     |
| Interest on capital account .....            | 3,867.25    |                     |
| Depreciation .....                           | 4,398.75    |                     |
| Sundry .....                                 | 1,136.32    |                     |
|  | <hr/>       |                     |
|  | \$24,650.11 |                     |
| Less, charged to Portage Association:        |             |                     |
| Rental .....                                 | 3,600.00    |                     |
| Share of operating expenses .....            | 7,549.89    | <b>13,500.22</b>    |
|  | <hr/>       |                     |
| <b>Net (loss), to General Reserve</b> .....  |             | <b>\$(4,855.17)</b> |



**MANITOBA POOL ELEVATORS**

**LIVESTOCK DEPARTMENT – STATEMENT OF**

**REVENUE AND EXPENDITURE**

For the year ended 31st July 1951

**Revenue:**

|  |             |                    |
|--|-------------|--------------------|
| Share of earnings of Canadian Co-operative Livestock (Western) Ltd., for the year ended 31st July 1951 ..... | \$14,108.39 |                    |
| Interest received .....  | 1,128.89    | <b>\$15,237.28</b> |

**Expenditure:**

|  |             |                    |
|--|-------------|--------------------|
| Salaries .....                                     | \$ 5,142.08 |                    |
| Travelling .....                                   | 1,911.36    |                    |
| Contribution to "Manitoba Co-operator" .....       | 2,000.00    |                    |
| Grant to M.F.A.C. ....                             | 1,500.00    |                    |
| Share of Head Office and Directors' expenses ..... | 1,000.00    |                    |
| Sundry .....                                       | 822.25      | <b>12,375.69</b>   |
|  |             | <b>\$ 2,861.59</b> |

**HOG FARROWING CENTRE**

**Expenditure:**

|                            |                    |  |
|----------------------------|--------------------|--|
| Salary .....               | \$ 1,800.00        |  |
| Rent .....                 | 1,200.00           |  |
| Feed, straw and milk ..... | 6,542.62           |  |
| Sundry .....               | 933.26             |  |
| Building repairs .....     | 164.91             |  |
|                            | <b>\$10,640.79</b> |  |

**Revenue:**

|                              |          |                 |
|------------------------------|----------|-----------------|
| Sale of weanling pigs .....  | 8,013.50 |                 |
| Sale of breeding stock ..... | 748.15   | <b>1,879.14</b> |

|  |                           |
|--|---------------------------|
| <b>Excess of revenue</b> over expenditure for the year ..... | <b>982.45</b>             |
| Add: Balance in Reserve at 31st July 1950 .....              | <b>58,431.76</b>          |
| <b>Livestock Shippers' Reserve, per Balance Sheet .....</b>  | <b><u>\$59,414.21</u></b> |

# MANITOBA POOL ELEVATORS

## STATEMENT OF LOANS FROM MEMBERS OF LOCAL ASSOCIATIONS

For the year ended 31st July 1951

|   | Elevator<br>Associations         | Seed<br>Association            | Total                            |
|---|----------------------------------|--------------------------------|----------------------------------|
| <b>Loans</b> as per Consolidated Balance Sheet,<br>31st July 1950 ..... | \$2,140,890.29                   | \$ 36,304.91                   | \$2,177,195.20                   |
| Add: Allocations to members from<br>1949-50 surplus .....               | 1,260,099.88                     | 122,445.12                     | 1,382,545.00                     |
| Adjustments re non-member surplus,<br>prior years .....                 | 206.52                           | -----                          | 206.52                           |
|   | <u>\$3,401,196.69</u>            | <u>\$158,750.03</u>            | <u>\$3,559,946.72</u>            |
| Less: Cash payments to members .....                                    | 1,161,366.90                     | 36,304.91                      | 1,197,671.81                     |
| <br><b>Loans</b> as at 31st July 1951, per<br>Balance Sheet .....       | <br><u><u>\$2,239,829.79</u></u> | <br><u><u>\$122,445.12</u></u> | <br><u><u>\$2,362,274.91</u></u> |

## STATEMENT OF LOCAL ASSOCIATIONS' SURPLUS

For the year ended 31st July 1951

**Surplus from operations** for the year ended 31st July 1950:

|                             |                |                       |
|-----------------------------|----------------|-----------------------|
| Elevator Associations ..... | \$1,255,765.67 |                       |
| Seed Association .....      | 119,013.98     | <b>\$1,374,779.65</b> |

**Add:**

|  |              |                              |
|--|--------------|------------------------------|
| Deficits (8 Associations) carried forward to<br>the 1950-51 year ..... | \$ 14,162.86 |                              |
| Deficit capitalized re major repairs (1 Association) .....             | 6,836.90     |                              |
| Adjustment re 1949-50 expense .....                                    | 52.00        |                              |
| Seed Association—adjustment re 1949-50<br>non-member surplus .....     | 3,431.14     | <b>24,482.90</b>             |
|  | <u>-----</u> | <u><b>\$1,399,262.55</b></u> |

**Deduct:**

|  |              |                              |
|--|--------------|------------------------------|
| Terminal earnings paid to Platform<br>Shippers .....                     | \$2,940.98   |                              |
| Balance transferred to General Reserve .....                             | 21.08        | \$ 2,962.06                  |
| Bonuses to Agents and Helpers .....                                      | 4,710.00     |                              |
| Donations approved by Local Associations .....                           | 2,337.00     |                              |
| Repairs to dwelling re 1950 flood .....                                  | 4,000.00     |                              |
| Balance of 1949-50 capital loan repayment<br>(1 Association) .....       | 1,216.90     |                              |
| Non-member surplus transferred to General Reserve .....                  | 1,491.59     |                              |
| Allocations to members as final payments:<br>Elevator Associations ..... | 1,260,099.88 |                              |
| Seed Association .....   | 122,445.12   | <u><b>\$1,399,262.55</b></u> |





# Canadian Co-operative Wheat Producers Limited

## DIRECTORS' REPORT

1950 – 1951

To the Shareholders,  
Canadian Co-operative Wheat Producers Limited,  
Winnipeg, Manitoba.

Gentlemen:

The twelve months from 1st August 1950, to 31st July 1951, were big with historic events. The resources of our Canadian nation were re-directed from peace to defence purposes. During this crop year, Western Canada's agriculture was confronted with problems of transportation, marketing, rising costs and economic disparity.

Producers faced widening gaps between the fixed ceiling price of wheat and rising costs. At the same time, they were challenged by the necessity for peak production.

In solving old problems and meeting the challenge of new problems, the members of our three Canadian Wheat Pools found their organizations more vital to them than ever before.

### CENTRAL BOARD

Your Central Board carried on the administration of Pool Insurance Company and Canadian Pool Agencies Limited, and provided the centre through which our three Pool organizations worked together to advance their common interests.

Outstanding among the issues raised during the 1950-51 crop year was the final settlement of the 5-year government wheat pool. At every opportunity, and by every effective means, your Central Board strove to get a final settlement which would be fair to the producers of our Canadian West. Clear, strong statements to the Canadian public were reinforced with resolutions and delegations to the Government of Canada. These set forth, repeatedly, the democratically-expressed view of Pool members that any fair settlement must include two items: first, a sum of \$48 million, to reimburse Western farmers for the sale of some 160 million bushels of their wheat to Canadian consumers from 1st March 1945, to 17th February 1947, for prices fixed by the Government of Canada at 30 cents per bushel below the Canada-U.K. Agreement; and second, a substantial payment to fulfil the contract of the Government of U.K. under the Agreement.

The President, Mr. Wesson, accompanied the Minister of Agriculture to U.K. to urge the British Government to carry out their obligations. When this was refused, the Government of Canada, under whose policy this wheat was sold, was urged to assume the obligation which the U.K. Government denied.

Your Central Board gave active support to the Barley and Oil Seeds Conference held in Saskatoon, 22nd February 1951. Support was continued, also, for tests at Macdonald College to establish the potential of Western coarse grains in feeding hogs. Through your Central Board the three Pool organizations offered full cooperation to feeders in Eastern Canada in the moving of Western feed grains to Eastern Canada.

### INTERPROVINCIAL POOL MEETINGS

The full Boards of our three Pool organizations assembled in Interprovincial meetings three times during the crop year: on 17th January, 6th March and 17th July.

The January meeting voiced the demand of Pool members for a fair final payment on the 5-year government wheat pool. The meeting asked for better distribution of railway cars; and urged that the Wheat Board make the best possible interim payment on 1950-51 deliveries. Problems raised by the abnormal percentage of tough and damp grain were dealt with. Review and revision of the Canada Grain Act was recommended. The meeting registered with the Government of Canada the conviction that the International Wheat Agreement had proved effective in its operation, but that the Agreement might be wrecked by the rapidly widening gap between the fixed ceiling price of wheat and the runaway prices of other commodities, resulting from war-induced inflation.

The Interprovincial meeting in March reviewed the settlement of the 5-year government wheat pool. A public statement was issued registering the conviction of Pool members that the final payment of 8.3 cents per bushel on 1,428 million bushels of wheat delivered by Western farmers to the government pool could not be regarded as satisfactory. Western producers should be reimbursed for subsidizing domestic wheat sales, and the Government of Canada should assume the full obligation under the Agreement denied by the Government of U.K.

At the Interprovincial meeting in July, representatives of the Board of Grain Commissioners and of the Canadian Wheat Board attended. Quotas, transportation and the use of car order books were discussed—along with the difficulties of handling the big, low-grade crop. The meeting was informed that railways car loadings at 31st December 1950, were 35,000 behind the previous year; but on 30th June 1951, were 9,000 ahead of the same date a year ago. Also, 20 cargoes carrying 7¾ million bushels had shipped from Churchill during this crop year.

Nevertheless, the meeting recorded the opinion that Canada's transportation facilities are not adequate, and have not kept pace with the fast-growing economy of our Canadian nation.

Domestic wheat prices were fully discussed and the meeting reaffirmed support of the C.F.A. recommendation to the Government of Canada that the price of wheat for domestic use be based upon \$2.00 per bushel.

#### WESTERN AGRICULTURAL CONFERENCE

The Western Agricultural Conference assembled in Calgary, January 18th to 20th 1951. The Conference is made up of 26 voting delegates—six each from the Federations of Agriculture of British Columbia, Alberta, Saskatchewan and Manitoba; and two from the U.G.G., as an interprovincial organization. The voting delegates were reinforced by numerous other representatives of western farm organizations.

The Conference dealt with a multitude of resolutions originating at local and provincial levels. Decisions were registered in 51 resolutions, which were relayed to the C.F.A. These resolutions dealt with many issues. Recommendations included: extension of PFAA; crop insurance; land and water conservation; substantial final payment on the 5-year pool; parity price for domestic wheat, based on \$2.00 per bushel; and the Canadian Wheat Board to be sole marketing agency for coarse grains, with minimum use of the futures market. The C.F.A. was urged to fight high freight rates and their strangling effect on farm production and distribution. Further resolutions urged opening U.S. markets to shipments of live hogs; adequate price supports; and parity in controls. International commodity agreements and more tolerant tariffs were urged, as well as better old age pensions and more adequate agricultural research.

The Conference re-elected R. C. Marler, Alberta, president, with G. F. Habing, Manitoba, W. J. Ball, Saskatchewan, and C. E. S. Walls, British Columbia, vice-presidents, and Mrs. R. B. Gunn, Alberta, executive member. Mrs. H. McRae, Manitoba, was re-appointed Western representative to National Farm Radio Forum.

Representatives of Western farm organizations which are united in the Conference met, again and again, in early 1951 to take action on the 5-year pool final settlement. On 2nd May 1951, a delegation presented to the Cabinet the claim of Western producers for further payment on wheat supplied to Canadian consumers at low, government-fixed prices.

#### CANADIAN FEDERATION OF AGRICULTURE

The C.F.A. is steadily growing in stature as the Canadian farmer's parliament. Through the Federation, farm people from Pacific to Atlantic cooperate to work out the problems of each respective region, and to integrate the resources and advantages of all regions in efficient production—which shall earn fair returns to producers. In the Federa-

tion, resolutions passed at local, provincial and regional levels are finally woven into the fabric of a complete presentation by Canadian agriculture to the Government and the people of Canada.

The fifteenth annual meeting of the C.F.A. at Calgary on 22nd to 26th January 1951, was the biggest in the history of the Federation. The mid-year convention held at Macdonald College on 6th to 8th August 1951, was likewise highly successful.

Following the annual meeting a delegation from the C.F.A. (including four members of your Central Board) met the Federal Cabinet on 15th February 1951. This delegation presented to the Government the essential decisions of the organized farmers of Canada, as expressed by resolution. These resolutions were passed in full realization that Canadians, with other free peoples, face history's gravest challenge to the democratic freedoms of speech, assembly, worship and election. C.F.A. recommendations to the government included:

1. That if general price controls are introduced, they be effective on all profits, prices and wages—based on continuous study by a competent body aiming at parity between all the components of the economy.
2. That the Agricultural Prices Support Act (of 1944) should include a clear interpretation of its objectives; and a formula for its application. The government is urged to base future price supports on parity of economic returns for the farming industry.
3. That in allocation of essential materials, the need of agriculture for fertilizers, sprays, mechanical power, machinery, cement, building materials and hardware be recognized as vital to full production.
4. That the Government of Canada is responsible that final settlement of the 5-year pool is fair to wheat producers "because the returns to wheat producers for those years were prescribed by government policy."
5. That the price of wheat sold by the Wheat Board for home use "should be based on \$2.00 per bushel, basis Fort William, for January 1951, with adjustments according to the changes in domestic economic conditions from the January 1951, level."
6. That the Wheat Board should continue to be the sole marketing agency for coarse grains; but should make minimum use of the futures market.
7. That freight assistance on feeds be a permanent part of Canadian agricultural policy to help both our livestock and grain growing industries.
8. That the government fix floor prices which will assure Canadian hog producers returns equal to the U.S. market.
9. That the government investigate the price of fertilizers, which has skyrocketed since controls were removed.

10. That immigration of selected farm workers be encouraged.
11. That, since every region has its own peculiar problems of soil and water conservation such as drought, flood, erosion, drainage and irrigation, we should approach this broad problem on a national scale, with a national act so that all provinces may receive the benefits of a sound policy of development and conservation of our land and water resources.

#### INTERNATIONAL FEDERATION OF AGRICULTURAL PRODUCERS

On 29th May 1951, the fifth annual conference of IFAP met in Mexico City. Delegates represented farm organizations of twenty-seven nations. The conference urged renewal of the International Wheat Agreement—with more flexible price ranges to compensate for drastic inflation or deflation. Development of education and information services by farm cooperatives was recommended.

H. H. Hannam, in his presidential address, declared: "The democratic world, today, is facing its gravest challenge. We can and must meet the challenge of poverty, hunger, exploitation and necessity for hundreds of millions. These people want food, land and human dignity."

P. Martin, of France, was elected president, with Allan B. Kline, U.S., G. Rousseau, South Africa, and Count T. E. van Lyden van Sandenburg, Netherlands, vice-presidents.

Pool officials who attended the IFAP conference as delegates from the C.F.A., reported some real progress made at Mexico City. The fear of war on the one hand, and war-inflated prosperity on the other, overshadowed cooperation for world commodity agreements. Nevertheless, U.K. delegates and many others emphasized the necessity for such inter-nation agreements. The organized farmers of more nations are joining IFAP. There is evidence of a growing realization that this world Federation has vital value. It calls together farm people from the ends of the earth; and puts them working together on common problems. Thus, isolation is submerged in understanding.

The apparent frustration of F.A.O. (as indicated in recent reports from that organization) challenges IFAP to play a bigger part in promoting cooperation between the farm peoples of the world—to meet the needs of mankind.

#### FOOD AND AGRICULTURE ORGANIZATION

F.A.O. has changed since the first conference was held at Quebec in 1945. "The 1950 session" (The Economic Annalist reports) "was confined to essential business matters. It marked transition from the idealism of early development to the realism of maturity. The refusal of nations to delegate any of their sovereign authority to F.A.O., first in connection with John Boyd Orr's World Food Board proposal in 1947, and again with the International Commodity Clearing House proposed



by the committee of economic experts in 1949, raises the question as to the role of F.A.O. in the development and implementation of international policies in food and agriculture."

The number of countries represented in F.A.O. has increased to 66. N. E. Dodd was re-appointed director-general until the end of the next regular session. The Committee on Commodity Problems carries on, under the chairmanship of Dr. G. S. H. Barton, of Canada.

#### INTERNATIONAL WHEAT AGREEMENT

In 1950-51, the second year of I.W.A. operation, 41 importing countries undertook to buy guaranteed quotas totalling 562.5 million bushels. Twenty-four countries bought their full quotas; many others practically so; and sales reached 531.2 million bushels. This was about 94 percent of the total guaranteed quantities. Canada had a quota of guaranteed sales of 221.5 million bushels; and sold 190.9 million bushels. Thus, the over-all shortage of 31 million bushels, representing 6 percent of the total guaranteed, was largely the result of bad weather in Canada which damaged the 1950 crop and retarded its movement.

Of the three other exporting nations, Australia had a quota of 88.7 million bushels; and sold 87.3 million. The quota of France was 4.1 million bushels; and sales reached 3.9 million. The U.S. quota was 248.1 million bushels; and sales totalled 249.1 million.

Japan was admitted to the I.W.A. as the forty-second importing nation, on 15th June 1951, with a quota of 500,000 metric tons (about 18.4 million bushels).

For the 1951-52 crop year the guaranteed total has been increased to 580.9 million bushels. Canada's quota has been increased by 11.3 million and the U.S. quota by 6.9 million bushels. Quotas for Australia and France remain unchanged.

The members of the three Canadian Wheat Pools, again and again, have recorded their faith that commodity agreements between peoples serve the best interests of both producers and consumers. In two years of operation, the I.W.A. has been tested by impacts which have shaken the world. Experience may introduce more flexibility into future agreements, to meet unforeseen, changing conditions. At the same time, experience proves the rightness of the basic principles upon which the I.W.A. is built.

#### CANADIAN WHEAT BOARD

The report of the Canadian Wheat Board covering operations for the 1949-50 crop year was issued early in 1951.

The Board reported that 1949 wheat production was above 1948 in Europe, North Africa, India, Pakistan, Argentina and Australia. Production was smaller in Canada and U.S.; but the crop year ended with increased commercial carryover in these latter two countries.

Exports during 1949-50 were: Canada, 225 million bushels; U.S., 403 million; Australia, 115 million; and Argentina, 89 million bushels.

During 1949-50, producers delivered to the Board 320 million bushels of wheat. Sales totalled 275.2 million bushels. Of this total, domestic sales took 47.4 million bushels at \$2.00; 145.6 million bushels were sold under the Canada-U.K. Wheat Agreement at \$2.00; while other I.W.A. sales included 15.1 million bushels at \$1.80 and 40.5 million bushels at \$1.98; and Class II sales took 26.5 million bushels at prices ranging from a low of \$2.04 to a high of \$2.41—averaging \$2.16 per bushel.

Administrative and general expenses for the 5-year pool from 1st August 1945, to 31st July 1950, were just over 1/3 of a cent per bushel on the wheat acquired by the Board.

Under Government policy, oats and barley produced in Alberta, Saskatchewan and Manitoba were marketed through the Canadian Wheat Board beginning 1st August 1949. Initial payments for the 1949-50 crop year were based on 65 cents per bushel for 2 C.W. oats and 93 cents per bushel for 3 C.W. 6 Row barley, in Lakehead store.

During 1949-50, producers delivered 80.1 million bushels of oats to the Board. Prices quoted by the Board ranged from a low of 69 cents per bushel for No. 1 Feed oats on 30th August 1949, to the high of \$1.22, on 7th June 1950. Sales were 19.1 million bushels (20.8 percent of commercial supplies) for export; and 62.1 million bushels (68 percent of commercial stocks) for domestic markets.

Deliveries of barley to the Board in the 1949-50 crop year totalled 53.2 million bushels. Average quoted prices for 3 C.W. 6 Row, in Lakehead store, ranged from a low monthly average of \$1.32 in August 1949, to the high of \$1.79<sup>3</sup>/<sub>8</sub> in June 1950. No. 1 Feed barley was quoted from a low monthly average of \$1.19<sup>1</sup>/<sub>4</sub> in January 1950, to a high of \$1.51<sup>1</sup>/<sub>4</sub> in June 1950. Some 17.5 million bushels of barley (over 27 percent of available supplies) were exported. Domestic sales took 37.8 million bushels (59 percent of supplies available).

The average price realized was: for oats, basis No. 2 C.W. in Lakehead store, \$0.8634933 per bushel; and, for barley, basis No. 3 C.W. 6 Row in store at the Lakehead, \$1.5250301. After deducting carrying charges, interest, administration costs, PFAA levy, etc., final payments to producers were: for oats, 18.937 cents per bushel, basis 2 C.W. in Lakehead store; and, for barley, 57.462 cents per bushel, basis 3 C.W. 6 Row in Lakehead store.

On 1st August 1950, Mr. W. Riddel, formerly of Saskatchewan Wheat Pool, replaced Dr. T. W. Grindley as commissioner on the Board.

Early in the 1950-51 crop year, quotas for wheat, oats and barley were set at 8 bushels per seeded acre.

#### EXPORTS

Recent years have brought changes which vitally affect Canada's export trade and Western agriculture.

Our population has shifted steadily from rural Canada, until today only 25 percent of Canadians live on farms; and the majority of our people are urban. The increase of urban population means increased domestic consumption for agricultural products. This, in turn, means that a smaller percentage of these products is available for export. Nevertheless, in 1949 Canada still exported 8 percent of the pork and 21 percent of the cattle marketed; and 63 percent of our production of wheat.

Formerly, Canada's exports went predominantly to U.K.; and the bigger share of imports came from U.S. During 1950, Canada's trade with U.K. and U.S. reached approximate balance. Exports to U.K. were valued at \$473 million, while imports reached \$404 million. Exports to U.S. totalled \$2,050 million; and imports were \$2,130 million. Whereas in 1938, some 66 percent of our agricultural exports went to U.K. and 15 percent to U.S.—in 1950, 34 percent went to U.K. and 37 percent to U.S.

From 1938 to 1950 the dollar value of our agricultural exports increased by 312 percent—to total \$816 million. In recent years, farm products have provided one-third of Canada's exports. In 1950 they were one-quarter of the total. A big part of these agricultural exports is flour and wheat.

Exports of wheat (and flour in terms of wheat) for the 1950-51 crop year were 241.8 million bushels. This was 7 percent above the previous year; and some 6 percent below the average for the preceding ten years.

These 1950-51 wheat exports went to 78 countries on six continents. Of the 78 countries buying Canadian wheat, 31 were in North, Central and South America. The Union of South Africa bought all her wheat imports from Canada. The U.K. continued to be the chief buyer of Canadian wheat. The British market took 42 percent of the total Canada exported in 1950-51. This compares with 58 percent the previous year. Other big buyers in 1950-51 were U.S., Italy, Ireland, India, Japan, Belgium and the Philippines.

#### GOVERNMENT POLICY

The Government of Canada, early in the 1950-51 crop year, announced new taxes to help meet multiplied defence costs. Emergency legislation was enacted, giving the Government power to act for the safety of the nation. Essential materials and services were brought under government control. Credit (including government farm loans) was restricted. Income taxes were raised, and sales taxes increased. Tariffs were boosted on tobacco, autos, radios and some electrical goods. Following emphatic representations by the C.F.A., however, some farm equipment, including grain and hay dryers, irrigation sprinklers and some dairy equipment, was put on the free list.

Official rates of exchange since 19th September 1949, had been calculated on the basis of a 10 percent premium for the U.S. dollar in Canada. On 30th September 1950, these official exchange rates were cancelled. After that date, rates of ex-

change were determined by conditions of supply and demand for foreign currencies in Canada.

The price of wheat for Canadian use had been tied to the Canada-U.K. Agreement prices. When that Agreement ended, 1st August 1950, domestic wheat prices were fixed at the daily level for I.W.A. sales.

Initial payments for the 1950-51 crop year were announced by the government as follows: wheat, \$1.40 per bushel, basis No. 1 Northern in Lakehead or Pacific store; oats, 65 cents per bushel, basis No. 2 C.W. in Lakehead store; barley, 93 cents per bushel, basis No. 3 C.W. 6 Row at the Lakehead. Vigorous and repeated representations were made by your Central executive to the government, urging more adequate initial payments. In January 1951, the government announced that, effective 1st February 1951, initial payments would be increased by 20 cents per bushel for wheat; 10 cents for oats; and 20 cents for barley.

On 21st March 1951, the Canadian Wheat Board Act (1935) was amended to provide for adjusting payments on a grade basis when interim payments are made; and the transfer in the accounts of the Board of the unsold balance of wheat delivered during a preceding pool period to the current pool period, at prices deemed reasonable to both pools.

The Parliament of Canada on 21st March 1951, approved a final settlement with Western producers for grain delivered to the 5-year pool. For many months our Pool organizations—through your Central executive and in cooperation with other farm organizations—had fought for a settlement that would be fair to Pool members and all Western grain growers. Finally, the Parliament of Canada added \$65 million from the Federal Treasury to the amount available in the hands of the Wheat Board for settlement on the 5-year pool. This additional sum provided a total final payment of approximately \$120 million—or about 8.3 cents per bushel on the 1,428 million bushels delivered to the Canadian Wheat Board during the five crop years 1945-46 to 1949-50.

Initial payments for 1951-52, announced on 4th May 1951, were: wheat, \$1.40 per bushel, basis No. 1 Northern, in Lakehead or Pacific store; oats, 65 cents per bushel, basis 2 C.W. in Lakehead store; barley, 96 cents per bushel, basis 3 C.W. in Lakehead store.

#### GENERAL AGREEMENTS ON TARIFFS AND TRADE

Canada's growing population, industrialization and defence undertakings have changed the pattern of our economy. Nevertheless, development of trade with other nations continues to be an essential to our national well-being; and an opportunity to promote peace. The leading part taken by Canada in promoting trade between nations is of vital interest to Western agriculture.

The general agreements on tariffs and trade, initiated at Geneva in 1947, and carried forward at Annecy in 1949, were negotiated further at Torquay, England, from September 1950, to March 1951.

The agreements achieved in these latest negotiations incorporate the results of 147 two-sided tariff agreements between the 34 countries taking part. Under the most-favored-nation principle all concessions extended became available to Canada; and all concessions by Canada were automatically extended to each of the participating nations.

At Torquay, in tariff agreements with 16 nations, Canada made concessions on 397 items—including dairy products, livestock, wheat, coarse grains and seeds; and, in turn, got concessions on tea, coffee, rubber and other tropical products—in addition to many concessions negotiated with U.K. and U.S.

Every sale or bargain is a negotiation—between individuals, or between groups of individuals. GATT is an example of successful group negotiations on the inter-nation level.

#### PRAIRIE FARM ASSISTANCE

Assessments, awards and payments under PFAA for the 1950-51 crop year were as follows:

|                        | 1 % Assessments | Number of Awards | Payments        |
|------------------------|-----------------|------------------|-----------------|
| Manitoba .....         | \$1,442,138.08  | 2,609            | \$ 283,922.25   |
| Saskatchewan .....     | 3,890,444.68    | 25,917           | 5,507,965.75    |
| Alberta .....          | 2,001,322.58    | 25,275           | 4,130,724.25    |
| British Columbia ..... | .....           | 1,257            | 205,359.00      |
| Unallocated .....      | 153.72          | .....            | .....           |
| Totals                 | \$7,334,059.06  | 55,058           | \$10,127,971.25 |

For the twelve crop years since 1939-40, assessments, awards and payments have been made as follows:

|                        | 1 % Assessments | Number of Awards | Payments         |
|------------------------|-----------------|------------------|------------------|
| Manitoba .....         | \$ 9,148,392.72 | 25,188           | \$ 2,944,599.02  |
| Saskatchewan .....     | 30,156,714.70   | 436,135          | 100,735,484.08   |
| Alberta .....          | 16,074,952.42   | 172,592          | 33,068,534.80    |
| British Columbia ..... | .....           | 1,307            | 209,525.25       |
| Unallocated .....      | 9,352.63        | .....            | .....            |
| Totals                 | \$55,389,412.47 | 635,222          | \$136,958,143.15 |

Since PFAA was instituted, Western farmers have contributed over \$55 million to the program; and \$81 million has been provided by the Federal treasury.

#### FREIGHT ASSISTANCE

Shipments of feed wheat, oats, barley and rye under the freight assistance plan from the Canadian West to Eastern Canada and British Columbia during the first eleven months of the 1950-51 crop year are estimated at 56.4 million bushels. During the same period a year ago the total was 77.7 million bushels. Shipments of oats fell from 48.5 million bushels last year, to 29.4 million. Barley shipments were 15.3 million bushels, compared with 20.5 million bushels the previous year. Shipments of feed wheat were up from 8.7 million to 11.6 million bushels. Little rye was shipped in either year.



Millfeed shipments were 512,097 tons, compared with 553,751 tons a year ago. Screenings dropped from 87,988 tons to 63,969 tons.

Ontario and Quebec took 74% of the wheat, 81% of the oats, 84% of the barley, 77% of the screenings and 71% of the millfeeds shipped under the program during the first eleven months of the 1950-51 crop year.

In June 1951, the Government of Canada extend freight assistance for another year. Since it was begun in 1941 the national treasury has invested some \$180 million in this policy.

#### EASTERN MARKET FOR FEED GRAINS

For many years Eastern Canada has been a growing market for Western feed grains. In 1929 our Pool organizations launched an energetic campaign to develop this market for the benefit of both Eastern feeders and Western grain producers. This effort was interrupted when the selling function was assumed by the Government of Canada; and the Pools were left as grain-handling cooperatives. The Eastern market continued to grow steadily, however; and, recently, has expanded rapidly.

Before World War II, Eastern farmers grew 92% of the oats, 93% of the barley and 84% of the wheat fed in Eastern Canada. In the last four years the total amount fed has increased by 40%—to 5.72 million tons. Of this total, Eastern farmers grew 67% of the oats, 24% of the barley and 46% of the wheat.

Eastern production of oats, barley and mixed grains fell from a yearly average of 194 million bushels for the years 1936 to 1940, to 174 million bushels between 1946 and 1949.

Before the war, Western producers supplied some 7% of the grains fed in Eastern Canada. Now they supply 36%.

Freight assistance was begun in 1941. In the ten preceding years (1932-1941) shipments of oats from Western to Eastern Canada averaged 10.7 million bushels per year. During war years (1942-46) annual shipments averaged 39 million bushels. In the years following the war (1947-1950) the average has been 52.5 million bushels.

Barley shipments averaged 1.4 million bushels per year for the ten years 1931-1940; 29.3 million from 1942 to 1946; and 30.7 million for the four post-war years 1947-1950.

Feed wheat shipments averaged 2 million bushels yearly before the war; 20 million in the war years; and 14 million in the past four years.

Thus, the combined total of oats, barley and feed wheat provided annually by Alberta, Saskatchewan and Manitoba producers to Eastern feeders averaged 12.3 million bushels in the ten years before freight assistance; 88.3 million during the war years; and 97.2 million bushels per year since the war.

Our Pool organizations are working with other Canadian farm cooperatives, to design a policy for servicing this expanding market for feed grains.

The development of such a policy should give the required assurance of supplies and stability of prices. In the C.F.A. the farm organizations of Canada have tackled this issue with energy and persistence.

#### PRODUCTION, PRICES AND COSTS

The 1950-51 crop year saw even greater changes in the Canadian economy than the preceding year. Agriculture faced rising costs with smaller income. Other activities expanded at an accelerated rate.

Compared with 1949, Canadian gross national production in 1950 increased 8 percent in physical volume; and reached a new high of \$17,700 million in dollar value. Exports increased from \$3,022 million to \$3,157 million, with little change in physical volume. Imports rose from \$2,761 million to \$3,174 million.

Outlay in capital goods continued expanding, and rose from \$3,500 million to \$3,750 million. Power and other utilities carried forward big building programs. The oil pipeline was completed from Edmonton through U.S. to the Great Lakes. Labor, professional and business income increased steadily. By the end of 1950, wholesale and retail prices were at all-time highs — with the exception of farm products.

Prices paid by farmers for goods and services used in production and for living continued their upward climb. Cash farm receipts were lower in 1950 than in 1949. Crops were bigger, despite severe damage to Western grain. Farmers sold less, however; and adjusting payments on grain were smaller in 1950.

From 1939 to 1950 the gross national product of goods and services increased 216% in dollar value. Labor income rose from \$2,583 million to \$8,300 million. Investment income climbed \$783 million to \$2,852 million, that is 206%. Consumer spending increased from \$3,861 million to \$11,810 million. Investment in plant, equipment and housing rose 469%, from \$554 million to \$3,123 million. Exports increased 189%, from \$1,451 million to \$4,200 million. Imports climbed 239%, from \$1,328 million to \$4,500 million. Net income of farm operators rose from \$461 million to \$1,424 million.

The high level of national income is reflected in the fact that in 1950 Canadians bought more new cars and trucks than ever before. Canadian production reached 391,000 units, 20% above 1949. European cars represented 14% of sales in Canada in 1949; and almost 25% in 1950.

Although farm cash income was lower in 1950, Western farmers reduced their indebtedness on mortgages and agreement of sale to the member companies of the Dominion Mortgage and Investments Association by more than 6 percent. The balance owing of \$30.5 million is only 18 percent of the 1937 total.

Canadian farmers bought machinery and repairs, in 1950, to a total of \$265 million, retail. More

than 65 percent of these purchases were in the West.

The drift of population from the farm continued. The total civilian labor force in March 1951, compared with March 1950, showed 97,000 fewer workers in agriculture and 161,000 more workers in non-farm jobs.

#### FARM INCOME

According to the Dominion Bureau of Statistics, the cash income of Canada's farm families for 1950 was 12% below 1949 and 1948; but higher than 1947. Cash income from the sale of farm products for the last three years was as follows:

|                | 1948                   | 1949    | 1950    |
|----------------|------------------------|---------|---------|
|                | in millions of dollars |         |         |
| Canada .....   | \$2,480                | \$2,474 | \$2,190 |
| The West ..... | 1,254                  | 1,272   | 981     |

Farmers net income from farm operations in 1950 was about 10% below 1949; and 12% lower than 1948. The figures are:

|                | 1948                   | 1949    | 1950    |
|----------------|------------------------|---------|---------|
|                | in millions of dollars |         |         |
| Canada .....   | \$1,650                | \$1,615 | \$1,461 |
| The West ..... | 853                    | 803     | 644     |

Net income is arrived at by adding cash income, supplementary payments, income in kind and inventory changes into gross income; and subtracting therefrom operating and depreciation costs, including taxes, rents, hired labor, interest, feed, seed, tractors, trucks, autos, repairs, fertilizers, supplies and depreciation on buildings and machinery.

#### THE 1950-51 CROP YEAR

Carryover of wheat into the 1950-51 crop year, together with estimated production, total supplies, exports, domestic use and year-end carryover—compared with averages for the preceding ten crop years—are set out in the following table:

|                                      | 1950-51         | 10-year average |
|--------------------------------------|-----------------|-----------------|
|                                      | million bushels |                 |
| Carryover at start of crop year..... | 112.2           | 275.3           |
| Production .....                     | 461.7           | 394.7           |
| Total supply .....                   | 573.9           | 670.0           |
| Exports .....                        | 241.8           | 259.3           |
| Domestic use .....                   | 145.7           | 154.2           |
| Carryover at end of crop year.....   | 186.4           | 256.5           |

**Production** in 1950 was 24% more than in 1949; and 17% above the 10-year average. Carryover, plus production, made total supplies available 21% more than in 1949-50; but 14% under the 10-year average. About 48% of the wheat inspected graded No. 4 Northern or higher—compared with 87% in 1949-50.

## NOTES

**Exports** of wheat (and flour in terms of wheat) were 7% above 1949-50, and the highest since 1945-46; but some 6% below the average for the ten years 1940-41 to 1949-50.

**Domestic use** of wheat during 1950-51 (for human food, livestock feed, seed, industries, etc.) was nearly 7% above 1949-50; but more than 5% below the average for the ten crop years 1940-41 to 1949-50. During that period, domestic use of wheat exceeded 170 million bushels for three consecutive years, reaching a peak of 179.2 million bushels in 1943-44. While less wheat was used for seed in 1950-51 than in 1949-50, a greater amount was used for livestock feed.

**Carryover** of wheat at 31st July 1951, is the biggest since 1945; but less than one-third of the 1943 carryover of 594.6 million bushels.

As the crop year ended, about 53% of the wheat carryover was held on farms and in country elevators. More grain was held on Western farms at the end of the crop year than at the beginning. Farm stocks of wheat were up 81%; oats 65%; barley 72%; and flaxseed 95%.

Carryover, production, exports and domestic use of oats and barley in 1950-51 compared with averages for the 10 years 1940-41 to 1949-50 are set out in the following summation:

|                        | <b>Oats</b>        |                        | <b>Barley</b>  |                        |
|------------------------|--------------------|------------------------|----------------|------------------------|
|                        | <b>1950-51</b>     | <b>10-year average</b> | <b>1950-51</b> | <b>10-year average</b> |
|                        | in million bushels |                        |                |                        |
| Carryover at beginning | 45                 | 73                     | 20             | 30                     |
| Production             | 421                | 403                    | 171            | 161                    |
| Total supply           | 466                | 476                    | 191            | 191                    |
| Exports                | 35                 | 38                     | 23             | 17                     |
| Domestic use           | 338                | 365                    | 115            | 143                    |
| Carryover at end       | 93                 | 73                     | 53             | 31                     |

### TRANSPORTATION

The Royal Commission on Transportation, after more than two years' study, submitted their report to the Parliament of Canada on 9th February 1951.

The Commission found that Canada's transportation facilities and costs are of vital importance to agriculture. The 1950-51 crop year emphasized that fact.

The Report designates the Crowsnest rates on grain and the Maritime Freight Rates Act, 1927, the principal statutory components of Canada's national transportation policy. The Commission concluded "that the time has not come for Parliament to divest itself of the immediate control of these (Crowsnest) rates which it assumed in 1897."

The Transport Board and the railways are criticized by the Commission for having implemented the general increases of 1948-50 by the application of uniform percentage increases. The railways should utilize new statistical procedures to provide necessary data for appropriate treatment of various



commodity shipments; and it ought to be the duty of the Board to see that the railways do so.

The Commission recommends an annual Federal subsidy of some \$7 million to the railways to maintain the two main lines through northern Ontario, as an "economic bridge" between West and East.

The preservation of the identities of both railway companies is endorsed. At the same time, the Commission remarks on the lack of action under the Canadian National-Canadian Pacific Act — which was intended to encourage cooperation between the two railway systems; and which was notably dormant during the war.

The most fundamental recommendation urged by the Commission is coordinated regulation of railways, waterways, airways, pipelines and highways to the extent of Federal authority. Amalgamation of the Board of Transport Commissioners, the Air Transport Board and the Canadian Maritime Commission is recommended—for uniform regulation; and to promote a rational transportation structure for the nation.

In June 1951, bills were introduced in the House of Commons outlining a policy of equal freight rates for all parts of Canada.

Meantime, the upward spiral of freight rates increased its "strangling" effect upon Western agriculture.

Our 1949-50 report recorded increases in freight rates from March 1948, to May 1950, which add up to a cumulative total of 45.2 percent. In September 1950, the railway companies applied for increases in livestock rates. They got these increases, effective 15th December 1950. On 4th July 1951, the Board of Transport Commissioners awarded the railways an interim general freight rate increase of 12 percent. Thus, railway freight rate increases from March 1948, to the end of the 1950-51 crop year, represent a cumulative total of 62.5 percent; and an estimated addition in the nation's freight costs of \$195 million per year.

Even more "strangling" to Western agriculture is the fact that existing rail and lake transportation facilities were not adequate to move other freight and, at the same time, the 1950-51 crop. As a result, when producers began to deliver the 1951 harvest hundreds of country elevators were plugged with 1950-51 grain still awaiting shipment.

The needs of our expanding economy, plus the requirements of defence, make imperative demands for adequate transportation facilities. While Canada's transportation facilities have grown, the rest of our economy may have grown more rapidly. Certainly, the double job of production and defence, which must be carried on for a long time to come, calls for adequate and economical transportation.

Acceptance and implementation of the recommendations submitted by the Royal Commission on Transportation should contribute toward a more just basis for fixing freight rates, which shall recognize the needs of agriculture on a parity with other components of the Canadian economy. At the same time, the rapid expansion of our economy and an

awakening realization of Canada's potential in production and requirements in distribution, emphasize the need for realistic planning and dynamic development in transportation. Many railway, highway, airway and waterway projects are requisite to a development of adequate transportation for our growing Canadian nation. One of the most important of these projects is the St. Lawrence Seaway.

The building of the St. Lawrence Seaway is a fundamental development in Canadian and North American economy. It could bring ocean freight-carriers into the heart of our continent and within a few hundred miles of our Western wheat-fields. This could help solve problems of extraordinary congestion, and be a permanent factor in moving Canadian grain to world markets—as well as providing the products of the world cheap transport to our Western markets.

The prompt development of the St. Lawrence Seaway project will contribute to increased Western production; to the prosperity of the entire Canadian nation; to the defence of North America; and to the peace of the world.

#### CONSERVATION

Land and water conservation is developing at an accelerated pace in our Canadian West. During 1950-51, the P.F.R.A. cooperated with farmers and municipalities to complete 4,604 small projects to provide water for homes, livestock and irrigation. To date, 47,646 such individual projects and 228 community projects have been built.

In July 1951, the St. Mary River project was put into operation in southern Alberta. Here, the world's biggest earth-fill dam impounds the flow of the river in an 18-mile lake. This \$7 million project is a step in a long-term program which shall utilize four international streams to irrigate 500,000 acres.

Plans are going forward to use the waters that flow down the Red Deer and the South Saskatchewan—to provide hundreds of communities and thousands of farms with light and power; and to supply water to irrigate more than a million strategic acres.

All of these projects are necessary steps to develop efficient use of our Western streams; and harness them to the lands they drain for full and stabilized production.

#### COOPERATION

In the year ending 31st July 1950, 1,337,889 Canadians — working together in 2,951 cooperatives—did business for themselves to a total of \$1,339,000,000.

Progress is not fast in the cooperative movement. Increases during the year were "not too significant" in membership; and "relatively small" in total business.

Total value of farm products marketed by cooperatives in 1950 showed a small increase of 2.5% over the 1949 total, while the cash farm income from the same products declined 4.5%. In 1949,

cooperatives handled 32.9% of farm produce entering into commercial trade. In 1950, they handled 35.2%.

During the last ten years cooperative wholesales have made tremendous progress. In 1950, eleven cooperative wholesales did business totalling more than \$128 million for the 1,847 cooperatives which comprise their membership.

Cooperative fire insurance is provided by 406 farmers' mutuals which, in 1949, protected their members to a total of \$2¼ billion. Pacific coast fishermen protect over 400 fishing vessels in their insurance mutuals. In Ontario, the Co-operators' Insurance Association is providing bonding, automobile and livestock insurance. Co-operative Life is broadening its field of operation in eight of Canada's ten provinces.

Canadians are organizing cooperatives to provide themselves with a variety of services, including hospitalization, medical care, housing, taxis, transportation, restaurants, water and electricity. The establishment of a nation-wide credit society in 1950 was a big step ahead.

The people of Alberta, Saskatchewan and Manitoba are in the vanguard of the cooperative advance. Out of 2,951 cooperatives, 1,071 are in the Western provinces. Canadian cooperatives embrace some 1,337,889 members. Of this total membership, 823,593 are in the prairie provinces.

From 1941 to 1950 our Canadian population increased by 21%. During the same period the number of cooperatives increased 79%; total cooperative business 319%; cooperative marketing 273%; and cooperative purchasing 1,133%.

In August 1951, delegates of 24 cooperative farms and ten machinery co-ops held a unique annual meeting on a cooperative farm at Matador, Saskatchewan. This was the first such meeting ever held in Canada.

The British Isles Federation of Agricultural Cooperatives was established in June 1949. This union of 698 societies in England, Wales, Scotland, Ulster and Eire reports business totalling £89 million for their 313,847 members in 1950. They plan programs of education, research, information, credit and support for IFAP.

The Commonwealth Conference on Agricultural Co-operation assembled at Oxford, England, 24-27 July 1951. Our three Canadian Wheat Pools were represented by an observer, J. B. Lawrie, executive officer in the London office of the Canadian Wheat Board.

### CONCLUSION

In a world where stresses change and problems take new shapes with startling rapidity, there is gratifying evidence that, through the growth of the cooperative movement we are progressing—steadily, if slowly—in the direction of a more just, more serviceable and more peaceful world economy.

Canada's farmers have brought the nation's agriculture a long way ahead in the first half of this

century. While the form of development may change, the substance of agricultural progress will be no less profound in the next fifty years.

Small and scattered efforts in the first quarter of the century sowed the seed from which grew our Canadian Wheat Pools. In the second quarter of the century, the Western farmers who built the Pools harvested from these cooperatives—for themselves and all farm people—a tremendous outturn of vital benefits. They built—and operate for themselves—grain handling facilities which represent a third of the nation's capacity. Through these facilities they have handled for themselves more than 4 billion bushels of their own grain. From these operations they have paid the \$63 million which the facilities cost; and earned another \$51 million cash for themselves. They have united—232,000 strong—in Canada's biggest cooperative. They have developed democratic leadership, practical experience and dynamic power in Canada's cooperative movement. Finally, they have helped demonstrate that—through the development of co-operation in production, distribution and all human relations—we can expand and balance our economy; and make our utmost contribution to plenty and peace—for Canada and for all mankind.

Respectfully submitted,

|           |   |   |
|-----------|---|---|
| Executive | { | JOHN H. WESSON<br>W. J. PARKER<br>BEN S. PLUMER   |
|           |   | GEO. N. McCONNELL<br>J. W. BALDWIN<br>W. J. BALL<br>THOS. G. BOBIER<br>W. J. BLAIR<br>A. T. BAKER |

# MANITOBA POOL ELEVATORS STATISTICS

| Year    | Membership |           |       | Country Elevators |                | Country Elevator Capacity in Manitoba |           |               |            |
|---------|------------|-----------|-------|-------------------|----------------|---------------------------------------|-----------|---------------|------------|
|         | M.P.E.     | Elevator  | Seed  | Individual Agents | Total Licensed | Manitoba Pool                         |           | All Companies |            |
|         |            | Ass'n (1) | Ass'n |                   |                | Permanent                             | Temporary | Permanent     | Temporary  |
| 1950-51 | 206        | 34,908    | 4,620 | 226               | 250            | 10,500,000                            | 3,493,000 | 26,686,100    | 8,671,000  |
| 1949-50 | 202        | 32,168    | 3,998 | 221               | 246            | 9,722,000                             | 3,513,000 | 25,293,100    | 9,150,000  |
| 1948-49 | 202        | 29,757    | 3,125 | 218               | 241            | 9,488,000                             | 3,656,000 | 24,784,100    | 9,111,000  |
| 1947-48 | 199        | 29,426    | 2,711 | 212               | 235            | 8,246,000                             | 3,736,000 | 24,116,100    | 9,642,000  |
| 1946-47 | 182        | 26,024    | 2,150 | 193               | 213            | 8,071,600                             | 3,914,000 | 24,080,600    | 10,661,000 |
| 1945-46 | 182        | 23,199    | 1,798 | 191               | 211            | 8,099,000                             | 4,258,000 | 24,063,600    | 14,888,000 |
| 1944-45 | 180        | 21,246    | 1,494 | 191               | 211            | 8,069,000                             | 7,124,000 | 23,865,600    | 19,494,500 |
| 1943-44 | 180        | 19,845    | 1,071 | 192               | 212            | 8,074,000                             | 7,280,000 | 23,930,600    | 19,845,583 |
| 1942-43 | 176        | 17,957    | 763   | 184               | 204            | 8,074,000                             | 7,488,000 | 24,029,200    | 20,053,400 |
| 1941-42 | 176        | 17,200    | 634   | 184               | 204            | 7,667,000                             | 7,198,000 | 24,201,000    | 19,867,000 |
| 1940-41 | 176        | 15,779    | 499   | 184               | 204            | 7,614,000                             | 6,993,000 | 23,712,000    | 9,084,000  |
| 1939-40 | 152        | 13,579    | ----- | 155               | 156            | 6,255,000                             | 80,000    | 23,375,650    | -----      |
| 1938-39 | 152        | 12,117    | ----- | 155               | 155            | 6,245,000                             | -----     | 22,261,500    | -----      |
| 1937-38 | 152        | 10,643    | ----- | 155               | 155            | -----                                 | -----     | 21,378,650    | -----      |
| 1936-37 | 150        | 9,706     | ----- | 153               | 153            | -----                                 | -----     | 20,958,950    | -----      |
| 1935-36 | 150        | 10,050    | ----- | 153               | 153            | -----                                 | -----     | 21,641,450    | -----      |
| 1934-35 | 150        | 9,743     | ----- | 153               | 153            | -----                                 | -----     | 20,289,950    | -----      |
| 1933-34 | 150        | 9,278     | ----- | 153               | 153            | -----                                 | -----     | 21,660,150    | -----      |
| 1932-33 | 150        | 9,338     | ----- | 153               | 153            | -----                                 | -----     | 23,015,850    | -----      |
| 1931-32 | 150        | -----     | ----- | 153               | 153            | -----                                 | -----     | 23,375,300    | -----      |
| 1930-31 | 150        | -----     | ----- | 153               | 153            | -----                                 | -----     | 23,751,500    | -----      |
| 1929-30 | 153        | -----     | ----- | 155               | 155            | -----                                 | -----     | 24,130,400    | -----      |
| 1928-29 | 141        | -----     | ----- | 143               | 143            | -----                                 | -----     | 24,151,900    | -----      |
| 1927-28 | 56         | -----     | ----- | 58                | 58             | -----                                 | -----     | 21,661,300    | -----      |
| 1926-27 | 28         | -----     | ----- | 30                | 30             | -----                                 | -----     | 20,603,800    | -----      |
| 1925-26 | 6          | -----     | ----- | 8                 | 8              | -----                                 | -----     | 19,938,800    | -----      |

(1) Active Membership Only

| Crop Year | Country Elevator Handle (Gross Bus.) | Average Handle Per Licensed Elevator | Year End Carry-Over | Average Receipts Per Elevator | Platform Deliveries | Total M.P.E. Receipts | M.P.E. Portion of all Grain Delivered in Manitoba | Grain Cleaned (Thousands of Bushels) |
|-----------|--------------------------------------|--------------------------------------|---------------------|-------------------------------|---------------------|-----------------------|---|--------------------------------------|
|           |                                      |                                      |                     |                               |                     |                       | (1)   | (2)                                  |
| 1950-51   | 52,810,484                           | 211,242                              | 2,973,718           | 208,880                       | 401,250             | 52,621,225            | 47.04%  | 7,743                                |
| 1949-50   | 43,343,935                           | 176,195                              | 590,509             | 172,327                       | 182,055             | 42,574,569            | 47.58%  | 12,932                               |
| 1948-49   | 44,273,006                           | 183,705                              | 951,421             | 181,663                       | 230,994             | 44,011,717            | 45.51%  | 9,760                                |
| 1947-48   | 29,938,574                           | 127,399                              | 492,283             | 123,181                       | 156,239             | 29,103,796            | 41.75%  | -----                                |
| 1946-47   | 38,107,159                           | 178,907                              | 991,017             | 175,026                       | 203,801             | 37,484,362            | 39.10%  | 10,242                               |
| 1945-46   | 31,833,598                           | 150,870                              | 826,598             | 143,970                       | 110,371             | 30,488,116            | 41.94%  | 6,390                                |
| 1944-45   | 38,142,543                           | 180,770                              | 1,455,853           | 156,511                       | 142,395             | 33,166,192            | 38.50%  | 7,434                                |
| 1943-44   | 48,290,320                           | 227,785                              | 5,118,746           | 168,644                       | 203,461             | 35,955,884            | 36.38%  | 6,213                                |
| 1942-43   | 38,529,075                           | 188,868                              | 12,537,897          | 152,968                       | 240,351             | 31,445,879            | 33.24%  | 7,003                                |
| 1941-42   | 32,454,462                           | 159,091                              | 7,323,547           | 115,956                       | 469,958             | 24,124,895            | 34.11%  | 7,193                                |
| 1940-41   | 24,708,969                           | 121,122                              | 8,799,525           | 112,687                       | 469,713             | 23,457,823            | 33.87%  | 11,828                               |
| 1939-40   | 19,251,311                           | 123,406                              | 1,720,859           | 118,755                       | 1,347,378           | 19,873,132            | 29.02%  | 7,275                                |
| 1938-39   | 17,632,043                           | 113,755                              | 725,557             | 117,898                       | 1,362,763           | 19,636,990            | 30.01%  | 6,890                                |
| 1937-38   | 17,017,063                           | 109,788                              | (642,184)           | 109,778                       | 1,018,858           | 18,034,407            | 27.09%  | 6,093                                |
| 1936-37   | 8,960,422                            | 58,565                               | 1,514               | 57,606                        | 385,806             | 9,199,439             | 27.06%  | 3,815                                |
| 1935-36   | 8,740,224                            | 57,126                               | 146,789             | 54,402                        | 322,797             | 8,646,350             | 27.50%  | 4,514                                |
| 1934-35   | 9,996,997                            | 65,340                               | 416,671             | 63,549                        | 911,640             | 10,634,578            | 25.40%  | 3,110                                |
| 1933-34   | 9,323,532                            | 60,938                               | 274,059             | 60,556                        | 710,827             | 9,975,932             | 26.90%  | 3,687                                |
| 1932-33   | 12,538,421                           | 81,950                               | 58,427              | 83,422                        | 1,278,113           | 14,041,647            | 28.30%  | 5,584                                |
| 1931-32   | 7,985,656                            | 52,194                               | (225,113)           | 52,194                        | 709,626             | 8,695,282             | 25.50%  | 2,234                                |

(1) Gross elevator handle, less opening carryover, plus platform.

(2) Basis net receipts; per Board of Grain Commissioners Statistics.



# MANITOBA POOL ELEVATORS STATISTICS

| Crop<br>Year           | Terminal Earnings (1)        |                | Seeds<br>Dept.<br>Surplus (1) | Elevator<br>Associations<br>Net Surplus (2) | Surplus allocated for refund (3) |                                 |                    |
|------------------------|------------------------------|----------------|-------------------------------|---|----------------------------------|---------------------------------|--------------------|
|                        | To Elevators<br>Associations | To<br>Reserves |                               |   | Paid in<br>Cash                  | Loans from<br>Repayable Members | Balance            |
| 1950-51                | \$861,881                    | \$363,233      | \$ 54,164                     | \$2,565,141                                 | \$ 1,200,613                     | \$2,000,000                     | \$2,504,265        |
| 1949-50                | 721,756                      | 276,362        | 136,519                       | 1,608,886                                   | 1,487,417                        | 1,270,000                       | 2,281,975          |
| 1948-49                | 718,119                      | 242,573        | 23,524                        | 1,673,311                                   | 1,165,581                        | 1,380,000                       | 2,296,616          |
| 1947-48                | 673,422                      | -----          | 84,134                        | 1,156,644                                   | 1,450,641                        | 1,200,000                       | 2,225,347          |
| 1946-47                | 532,876                      | -----          | 82,533                        | 1,314,554                                   | 3,475,896                        | 1,404,500                       | 2,285,078          |
| 1945-46                | 755,755                      | -----          | 35,958                        | 1,109,582                                   | 455,710                          | 3,787,444                       | 2,346,519          |
| 1944-45                | 559,933                      | -----          | 15,628                        | 1,199,006                                   | 819,061                          | 3,091,108                       | 2,373,907          |
| 1943-44                | 630,753                      | -----          | 33,939                        | 2,549,931                                   | 516,702                          | 2,577,543                       | 2,512,049          |
| 1942-43                | 323,266                      | -----          | 18,490                        | 1,228,269                                   | 492,126                          | 1,136,598                       | 1,903,262          |
| 1941-42                | 255,265                      | -----          | 9,648                         | 867,409                                     | 256,722                          | 693,447                         | 1,611,410          |
| 1940-41                | 206,884                      | -----          | -----                         | 343,579                                     | 79,799                           | 270,370                         | 1,430,811          |
| 1939-40                | 219,579                      | -----          | -----                         | 426,372                                     | 201,182                          | 267,738                         | 1,149,535          |
| 1927 to 1939 inclusive | -----                        | -----          | -----                         | -----                                       | 867,969                          | 217,258                         | 997,190            |
|                        |                              |                |                               |   | <u>\$12,469,419</u>              | <u>\$2,000,000</u>              | <u>\$2,504,265</u> |

(1) Net of depreciation and interest on investment.

(2) Before appropriation for General Reserve and provision for income taxes.

(3) Including Seed Association and Platform shippers.

|                                    | 1950-51   | 1949-50     | 1948-49     | 1945-46   | 1942-43   | 1939-40   | 1936-37 | 1933-34 | 1930-31 |
|------------------------------------|-----------|-------------|-------------|-----------|-----------|-----------|---------|---------|---------|
| <b>TERMINAL ELEVATOR CAPACITY:</b> |           |             |             |           |           |           |         |         |         |
| (Thousands of Bushels)             |           |             |             |           |           |           |         |         |         |
| Owned .....                        | 6,325     | 6,325       | 6,325       | 4,525     | 4,525     | 4,525     | 2,775   | 1,300   | 1,425   |
| Leased .....                       | 9,400     | 9,400       | 9,400       | 2,000     | 2,000     | 2,000     | 2,100   | -----   | -----   |
| Total .....                        | 15,725    | 15,725      | 15,725      | 6,525     | 6,525     | 6,525     | 4,875   | 1,300   | 1,425   |
| All Companies                      |           |             |             |           |           |           |         |         |         |
| (licensed) .....                   | 84,452    | 84,452      | 82,552      | 129,515   | 146,815   | 92,652    | 81,022  | 92,697  | 92,847  |
| M. P. E. portion ..                | 18.6%     | 18.6%       | 19.0%       | 5.0%      | 4.4%      | 7.0%      | 6.0%    | 1.4%    | 1.5%    |
| <b>TERMINAL HANDLE</b>             |           |             |             |           |           |           |         |         |         |
| (Thousands of Bushels)             |           |             |             |           |           |           |         |         |         |
| M.P.E. grain .....                 | 41,717    | 35,153      | 34,980      | 26,114    | 14,894    | 13,576    | 7,964   | 6,279   | -----   |
| Alberta Pool grain..               | 9,668     | 8,616       | 14,209      | 11,478    | 13,368    | 20,260    | 5,879   | 4,565   | -----   |
| Total handle .....                 | 55,096    | 48,364      | 52,743      | 38,055    | 28,650    | 33,962    | 14,930  | 11,029  | 8,186   |
| Total all                          |           |             |             |           |           |           |         |         |         |
| Companies .....                    | -----     | 294,993     | 303,964     | 307,985   | 251,061   | 334,783   | 155,591 | 164,816 | 230,681 |
| M.P.E. portion .....               | -----     | 16.4%       | 17.3%       | 12.4%     | 11.4%     | 10.1%     | 9.6%    | 6.7%    | 3.6%    |
| <b>SEEDS DEPT. HANDLE</b>          |           |             |             |           |           |           |         |         |         |
| Legumes (Cwt.) .....               | 21,346    | 32,709      | 47,808      | 35,422    | -----     | -----     | -----   | -----   | -----   |
| Grasses (Cwt.) .....               | 7,302     | 4,988       | 7,435       | 1,091     | -----     | -----     | -----   | -----   | -----   |
| Cereals (Bushels) ..               | 136       | 84          | 94          | 58        | -----     | -----     | -----   | -----   | -----   |
| Total sales .....                  | \$960,994 | \$1,180,503 | \$1,310,846 | \$503,321 | \$191,890 | \$104,809 | -----   | -----   | -----   |

|                                    | 1951-52 | 1950-51 | 1949-50 | 1948-49 | 1947-48 | 1946-47 | 1945-46 | 1944-45 | 1943-44 |
|------------------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| <b>TARIFFS (1)</b>                 |         |         |         |         |         |         |         |         |         |
|                                    | ¢       | ¢       | ¢       | ¢       | ¢       | ¢       | ¢       | ¢       | ¢       |
| Country elevator handling          |         |         |         |         |         |         |         |         |         |
| Wheat .....                        | 2½      | 2½      | 2½      | 2½      | 1⅞      | 1¾      | 1¾      | 1¾      | 1¾      |
| Oats .....                         | 2⅞      | 2       | 1⅞      | 1⅞      | 1⅞      | 1¼      | 1¼      | 1¼      | 1¼      |
| Barley .....                       | 2⅞      | 2½      | 2½      | 2½      | 1⅞      | 1¾      | 1¾      | 1¾      | 1¾      |
| Rye .....                          | 2⅞      | 2½      | 2½      | 2½      | 1⅞      | 1¾      | 1¾      | 1¾      | 1¾      |
| Flax .....                         | 4¾      | 4½      | 4½      | 4½      | 3½      | 3       | 3       | 3       | 3       |
| Country storage charges (2)        | 1/30    | 1/25    | 1/25    | 1/25    | 1/30    | 1/45    | 1/45    | 1/60    | 1/50    |
| Terminal elevation—wheat .....     | 2⅞      | 2       | 2       | 1⅞      | 1⅞      | 1¼      | 1¼      | 1¼      | 1¼      |
| Terminal storage charges (3) ..... | 1/30    | 1/25    | 1/25    | 1/25    | 1/30    | 1/30    | 1/45    | 1/50    | 1/50    |
| Drying (wheat—Tough .....          | 3¾      | 4½      | 3       | 3       | 3       | 3       | 3       | 3       | 3       |
| —Damp .....                        | 6¼      | 7½      | 5       | 5       | 5       | 5       | 5       | 5       | 5       |

(1) Maximum per Board of Grain Commissioners. (2) per bushel per day, 15 days free. (3) 10 days free.







1951

**MPE**

AUDITORS' REPORT

To the President and Members,  
Kronsgart Co-operative Elevator Association,  
Kronsgart, Manitoba.

We have completed an audit of the books and accounts of your Association for the fiscal year ended July 31st 1951, and submit herewith financial statements covering operations for the year, together with a Balance Sheet as at July 31st 1951.

We report that we have obtained all the information and explanations which we have required, and that in our opinion the attached Balance Sheet is properly drawn up so as to exhibit a true and correct view of the financial position of your Association as at July 31st 1951, according to the best of our information, the explanations given to us, and as shown by the books. We further report that all transactions coming under our notice have been within the powers and objects of the Association to the best of our information and belief.

Winnipeg, Manitoba,  
October 11th 1951.

MILLAR, MACDONALD & CO.,  
Chartered Accountants,  
Auditors.



KRONSGART CO-OPERATIVE ELEVATOR ASSOCIATIONOPERATING ACCOUNTFor the year ended July 31st, 1951CREDIT

|  |               |             |
|--|---------------|-------------|
| Grain earnings, including initial handling charges,<br>carrying charges, grade gains & losses, overages &<br>shortages, etc. | \$ 13,024.93  |             |
| Terminal earnings  | 4,018.02      |             |
| Interest re grain loans  | 580.63        |             |
| Cleaning revenue   | 1,139.13      |             |
| Rentals  | 126.85        |             |
| Surplus on coal handling   | <u>232.82</u> | \$19,122.38 |

DEBIT

|   |                 |                    |
|---|-----------------|--------------------|
| Interest on capital loan @ 5% per annum                   | \$ 1,619.70     |                    |
| Building insurance, bonds & municipal taxes, per page 3   | 670.70          |                    |
| Station expenses paid locally, per page 3                 | 3,712.91        |                    |
| Station expenses paid from Head Office, per page 3        | 939.68          |                    |
| Head Office expenses, per page 3                          | 2,971.53        |                    |
| Depreciation  | <u>1,755.48</u> | <u>11,670.00</u>   |
| Net surplus for the year, before provision for income tax |                 | <u>\$ 7,452.38</u> |



KRONSGART CO-OPERATIVE ELEVATOR ASSOCIATIONBALANCE SHEET, as at JULY 31st, 1951ASSETS

|  |                 |                    |
|--|-----------------|--------------------|
| Elevator buildings and equipment, at cost: |                 |                    |
| As at July 31st, 1950                      | \$29,019.72     |                    |
| Add: Cost of new elevator, (balance)       | <u>6,090.05</u> |                    |
|  | 35,109.77       |                    |
| Less: Reserve for depreciation             | <u>4,153.06</u> | \$30,956.71        |
| Membership in Manitoba Pool Elevators      |                 | 1.00               |
| Funds held by Manitoba Pool Elevators      |                 | <u>15,341.65</u>   |
|  |                 | <u>\$46,299.36</u> |

LIABILITIES

|   |                 |                    |
|---|-----------------|--------------------|
| Capital loan from Manitoba Pool Elevators:  |                 |                    |
| Balance July 31st, 1950   | \$26,622.14     |                    |
| Add: Loan re elevator   | <u>6,090.05</u> |                    |
|   | 32,712.19       |                    |
| Repayment 1951  | <u>1,755.48</u> | \$30,956.71        |
| Contributed capital loans as at July 31st, 1950   | 4,709.63        |                    |
| Less: Loans repaid, principal and interest  | <u>2,237.13</u> |                    |
|   | 2,472.50        |                    |
| Add: Interest credited to July 31st, 1951   | <u>143.49</u>   | 2,615.99           |
| Loans from members:   |                 |                    |
| Balance as at July 31st, 1950   | 4,418.59        |                    |
| Repaid in cash  | <u>1,607.96</u> |                    |
|   | 2,810.63        |                    |
| 1949-50 surplus on operating allocated as a final payment                                   | <u>2,397.66</u> | 5,208.29           |
| Membership fund   |                 | 65.99              |
| Surplus on operating for year ended July 31st, 1951 available for final payment, per page 1 |                 | <u>7,452.38</u>    |
| (Subject to a contingent liability for income taxes)  |                 | <u>\$46,299.36</u> |

KRONSGART CO-OPERATIVE ELEVATOR ASSOCIATIONSTATEMENT OF OPERATING EXPENSESFor the year ended July 31st, 1951Building Insurance, Bonds and Taxes

|                      |               |                  |
|----------------------|---------------|------------------|
| Bonds on agent, etc. | \$ 12.69      |                  |
| Building insurance   | 231.57        |                  |
| Taxes - Municipal    | <u>426.44</u> | \$ <u>670.70</u> |

Station Expenses Paid Locally

|                                  |               |                    |
|----------------------------------|---------------|--------------------|
| Salaries - agent, helper, etc.   | 2,547.10      |                    |
| Gasoline and oil - power         | 237.74        |                    |
| Fuel                             | 52.85         |                    |
| Postage, telegrams and telephone | 100.60        |                    |
| Repairs and renewals, per page 4 | 278.79        |                    |
| Miscellaneous, per page 4        | <u>495.83</u> | \$ <u>3,712.91</u> |

Station Expenses Paid from Head Office

|                                  |              |                  |
|----------------------------------|--------------|------------------|
| Workmen's compensation insurance | 75.28        |                  |
| Unemployment insurance           | 58.91        |                  |
| Printing and stationery          | 149.50       |                  |
| Exchange and excise              | 370.41       |                  |
| Legal                            | 5.75         |                  |
| Audit                            | 107.45       |                  |
| Contingent expenses              | 118.14       |                  |
| Delegates' meeting expense       | <u>54.24</u> | \$ <u>939.68</u> |

Head Office Expenses

|   |               |                    |
|---|---------------|--------------------|
| Salaries - Winnipeg office and superintendence                | 1,806.90      |                    |
| Travelling expense  | 275.93        |                    |
| Directors' travelling expense and per diem allowance          | 41.14         |                    |
| Insurance, retirement fund, and bonds                         | 365.13        |                    |
| Office rent and light   | 145.10        |                    |
| Telegrams and telephones                                      | 45.58         |                    |
| Postage   | 38.61         |                    |
| Manitoba Federation of Agriculture & Co-operation, & C. F. A. | 59.33         |                    |
| Miscellaneous   | <u>193.81</u> | \$ <u>2,971.53</u> |

KRONSGART CO-OPERATIVE ELEVATOR ASSOCIATIONANALYSIS OF MISCELLANEOUS STATION EXPENSES AND REPAIRS & RENEWALSFor the year ended July 31st, 1951Miscellaneous Station Expenses

|   |               |                 |
|---|---------------|-----------------|
| License fees - Board of Grain Commissioners   | \$ 5.00       |                 |
| Grain Exchange - Operator's   | 1.00          |                 |
| Site rental   | 15.00         |                 |
| Scale inspection  | 7.50          |                 |
| Market broadcasting service, Winnipeg   | 8.24          |                 |
| The Manitoba Co-operator  | 75.55         |                 |
| Directors' fees, 1949-50  | 57.00         |                 |
| Secretary's salary, 1950-51   | 25.00         |                 |
| Car liner paper & laths   | 135.12        |                 |
| Annual meeting expense  | 15.06         |                 |
| Expense re helper   | 5.00          |                 |
| Dray and express  | 6.75          |                 |
| Fee for appointment as Commissioner for Oaths   | 2.00          |                 |
| Coal shed site rental   | 24.00         |                 |
| Hardware account: Brooms, staples, nails, light bulbs,<br>oil, sieves, stitcher, etc. | <u>115.11</u> | \$497.33        |
| Less: Flour commissions   |               | <u>1.50</u>     |
|   |               | <u>\$495.83</u> |

Repairs and Renewals

|                                    |              |                 |
|------------------------------------|--------------|-----------------|
| Paint crew, October 2-5, 1950      | \$ 74.39     |                 |
| Paint crew, April 26-30, 1951      | 42.00        |                 |
| Repairs to dwelling                | 64.99        |                 |
| Repairs to driveway, cinders, etc. | 30.35        |                 |
| Cleaner parts and repairs          | 18.75        |                 |
| Miscellaneous                      | <u>48.31</u> | <u>\$278.79</u> |